

**WILLIAMS UNIFIED SCHOOL DISTRICT**

**COUNTY OF COLUSA  
WILLIAMS, CALIFORNIA**

**FINANCIAL STATEMENTS  
WITH  
INDEPENDENT AUDITOR'S REPORT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

# **WILLIAMS UNIFIED SCHOOL DISTRICT**

## **TABLE OF CONTENTS**

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	<b><u>PAGE</u></b>
<b>INDEPENDENT AUDITOR'S REPORT</b>	<b>1</b>
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	<b>4</b>
<b>BASIC FINANCIAL STATEMENTS</b>	
Government-Wide Financial Statements	
Statement of Net Position	10
Statement of Activities	11
Fund Financial Statements	
Balance Sheet – Governmental Funds	12
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	13
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	14
Reconciliation of the Governmental Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	15
Notes to the Basic Financial Statements	16
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP) and Actual – General Fund	47
Schedule of Changes in the District's Net OPEB Liability and Related Ratios	48
Schedule of Proportionate Share of Net Pension Liability	49
Schedule of Pension Contributions	50
Notes to Required Supplementary Information	51

# **WILLIAMS UNIFIED SCHOOL DISTRICT**

## **TABLE OF CONTENTS**

---

### **SUPPLEMENTARY INFORMATION**

Combining Balance Sheet – All Non-major Governmental Funds	53
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – All Non-major Governmental Funds	54
Schedule of Average Daily Attendance	55
Schedule of Instructional Time	56
Schedule of Charter Schools	57
Reconciliation of Annual Financial and Budget Report with Audited Financial Statements	58
Schedule of Expenditures of Federal Awards	59
Schedule of Financial Trends and Analysis	60
Notes to Supplementary Information	61

### **OTHER INDEPENDENT AUDITOR’S REPORTS**

Organization	63
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### **OTHER INDEPENDENT AUDITOR’S REPORTS**

Independent Auditor's Report on State Compliance and On Internal Control Over Compliance	64
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	68
Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	70

### **FINDINGS AND RECOMMENDATIONS**

Schedule of Findings and Questioned Costs	73
Status of Prior Year Audit Findings	78



**James Marta & Company LLP**  
*Certified Public Accountants*

*Accounting, Auditing, Consulting, and Tax*

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**INDEPENDENT AUDITOR'S REPORT**

Board of Trustees  
Williams Unified School District  
Williams, California

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Williams Unified School District (the "District"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Other Matters***

#### ***Change in Accounting Principle***

As described in Note 1Y to the financial statements, the District adopted GASB Statement No. 101, Compensated Absences which required a restatement of net position as of July 1, 2024. Our opinion is not modified with respect to this matter.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP) and Actual – General Fund, Schedule of Changes in the District's Net OPEB Liability and Related Ratios, Schedule of Proportionate Share of Net Pension Liability, and Schedule of Pension Contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and

comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information such as the combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the *supplementary information* is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

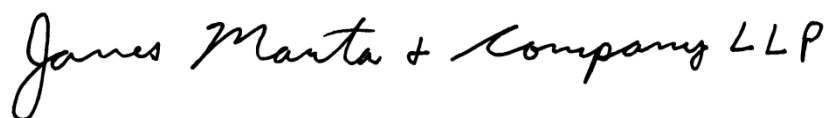
### ***Other Information***

Management is responsible for the other information included in the financial statements. The other information comprises the Organization page but does not include the basic financial statements and our auditor's report thereon. Our opinions on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Marta & Company LLP". The signature is written in a cursive, flowing style.

James Marta & Company LLP  
Certified Public Accountants  
Sacramento, California  
December 1, 20225

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2025**

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This section of the Williams Unified School District's (the District) annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2025. Please read it in conjunction with the Independent Auditor's Report and the District's financial statements, which immediately follows this section.

**USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Position and Statement of Activities, presented on pages 10 and 11, provide information about the activities of the District as a whole and present a longer-term view of the District's finances. The fund financial statements for governmental activities, presented on pages 12 through 15, provide information about how District services were financed in the short-term, and how much remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. The remaining statements provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside the District.

**FINANCIAL HIGHLIGHTS**

The District's net position increased by 14.8% from 2023-24 to 2024-25. This was brought about primarily by the increase in current assets.

- Capital assets increased by \$1,082,073 due primarily to the improvements to buildings and sites along with equipment purchases.
- Total long-term liabilities increased \$6,184,418 or 19.9%, primarily due to the new GO Bond issuance.
- The District was funded in 2024-25 based on the District's prior year ADA of 1,216.
- During fiscal year 2024-25, total General Fund expenditures and other financing uses totaled \$24,542,950. At June 30, 2025, the District has a reserve for economic uncertainty of \$729,242 in the Unrestricted General Fund, which represents a reserve of 3%.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The full annual financial report consists of three separate parts, including the basic financial statements, supplementary information, and Management's Discussion and Analysis. The three sections together provide a comprehensive overview of the District. The basic financial statements are comprised of two kinds of statements that present financial information from different perspectives, District-wide and funds.

District-wide financial statements, which comprise the first two statements, provide both short-term and long-term information about the District's overall financial position.

Individual parts of the District, which are reported as fund financial statements comprise the remaining statements.



**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2025**

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- Basic services funding is described in the governmental funds statements. These statements include short-term financing and identify the balance remaining for future spending.
- Short and long-term financial information about the activities of the District that operate like businesses are provided in the proprietary fund statements.
- Financial relationships, for which the District acts as an agent or trustee for the benefit of others to whom the resources belong, are presented in the fiduciary funds statements.

Notes to the financials, which are included in the financial statements, provide more detailed data and explain some of the information in the statements. The required supplementary information provides further explanations and provides additional support for the financial statements. A comparison of the District's budget for the year is included.

**Reporting the District as a Whole**

The District as a whole is reported in the District-wide statements and uses accounting methods similar to those used by companies in the private sector. All of the District's assets and liabilities are included in the Statement of Net Position. The Statement of Activities reports all of the current year's revenues and expenses regardless of when cash is received or paid.

The District's financial health or position can be measured by the difference between the District's assets and liabilities.

Increases or decreases in the net position of the District over time are indicators of whether its financial position is improving or deteriorating, respectively.

Additional non-financial factors such as the condition of school buildings and other facilities, and changes in the property tax base of the District need to be considered in assessing the overall health of the District.

In the Statement of Net Position and the Statement of Activities, we divide the District into two kinds of activities:

**Governmental Activities:**

The basic services provided by the District, such as regular and special education, administration, and transportation are included here, and are primarily financed by property taxes and state formula aid. Non basic services, such as child nutrition are also included here, but are financed by a combination of state and federal contracts and grants, and local revenues.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2025**

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**Business-type Activities:**

The District does not provide any services that should be included in this category.

**Reporting the District's Most Significant Funds**

The District's fund-based financial statements provide detailed information about the District's most significant funds. Some funds are required to be established by State law and bond covenants. However, the District establishes many other funds as needed to control and manage money for specific purposes.

**Governmental Funds**

The major governmental fund of the Williams Unified School District is only the General Fund. Governmental fund reporting focuses on how money flows into and out of the funds and the information helps to determine the level of financial resource balances that remain at the end of the year. A modified accrual basis of accounting measures for cash and all other financial assets that can readily be converted to cash are being presented. The governmental fund statements provide a detailed short-term view of the District's operations and services. Governmental fund information helps to determine the level of financial resources available in the near future to finance the District's programs.

**Proprietary Funds**

Services for which the District charges a fee are generally reported in proprietary funds on a full accrual basis. These include both Enterprise funds and Internal Service funds. Enterprise funds are considered business type activities and are also reported under a full accrual method. This is the same basis as business-type activities; therefore, no reconciling entries are required. Internal service funds are reported with the Governmental Funds. The District does not have funds of this type.

**Fiduciary Funds**

Funds used to account for assets held by a Local Educational Agency (LEA) in a trustee or agency capacity for others that cannot be used to support the LEA's own programs. The District does not have funds of this type.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

***FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE***

<b>Condensed Statement of Net Position</b>				
	June 30, 2024	June 30, 2025	Change	Percentage Change
<b>Assets</b>				
Current assets	\$ 31,769,334	\$ 39,425,360	\$ 7,656,026	24.1%
Capital assets	23,628,226	24,710,299	1,082,073	4.6%
Total assets	55,397,560	64,135,659	8,738,099	15.8%
<b>Deferred Outflows of Resources</b>	6,845,699	9,629,500	2,783,801	40.7%
Current liabilities	3,585,563	4,756,755	1,171,192	32.7%
Long-term liabilities				
Current portion	4,471,902	4,764,322	292,420	6.5%
Long-term portion	31,033,402	37,217,820	6,184,418	19.9%
Total Long-term liabilities	35,505,304	41,982,142	6,476,838	18.2%
Total liabilities	39,090,867	46,738,897	7,648,030	19.6%
<b>Deferred Inflows of Resources</b>	5,590,721	6,865,388	1,274,667	22.8%
<b>Net Position</b>				
Invested in capital assets	6,691,916	7,460,519	768,603	11.5%
Restricted	15,481,010	22,017,014	6,536,004	42.2%
Unrestricted	(4,611,255)	(9,316,659)	(4,705,404)	102.0%
Total net position	\$ 17,561,671	\$ 20,160,874	\$ 2,599,203	14.8%

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

**Condensed Statement of Activities for the Fiscal Years Ended June 30**

	2024	2025	Change	Percentage Change
<b>Revenues</b>				
Charges for services	\$ 281,514	\$ 262,409	\$ (19,105)	-6.8%
Operating grants and contributions	5,860,995	4,580,568	(1,280,427)	-21.8%
Capital grants and contributions	1,702,402	320,438	(1,381,964)	-81.2%
Taxes levied for general purposes	4,751,964	4,993,058	241,094	5.1%
Taxes levied for debt services	356,058	570,935	214,877	60.3%
Federal and state aid not restricted for specific purposes	15,932,924	15,680,982	(251,942)	-1.6%
Interest and investment earnings	1,480,468	(95,001)	(1,575,469)	-106.4%
Miscellaneous	65,235	60,738	(4,497)	-6.9%
Total revenues	<u>30,431,560</u>	<u>26,374,127</u>	<u>(4,057,433)</u>	<u>-13.3%</u>
<b>Expenses</b>				
Instruction	12,114,097	10,602,172	(1,511,925)	-12.5%
Instruction related services	2,607,696	2,123,320	(484,376)	-18.6%
Pupil services	2,216,722	2,310,984	94,262	4.3%
General administration	1,529,250	1,546,860	17,610	1.2%
Plant services	2,573,344	2,315,731	(257,613)	-10.0%
Ancillary services	406,948	443,795	36,847	9.1%
Interest on long-term debt	578,462	707,869	129,407	22.4%
Other outgo	1,750,126	2,531,472	781,346	44.6%
Depreciation (unallocated)	1,127,239	1,192,721	65,482	5.8%
Total expenses	<u>24,903,884</u>	<u>23,774,924</u>	<u>(1,128,960)</u>	<u>-4.5%</u>
Change in net position	<u>\$ 5,527,676</u>	<u>\$ 2,599,203</u>	<u>\$ (2,928,473)</u>	<u>-53.0%</u>

**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

As the District completed the school year, the governmental funds reported a combined fund balance of \$35,103,584.

**General Fund Budgetary Highlights**

The District's budget is prepared in accordance with California law and is based on the modified accrual basis of accounting. Over the course of the year, the District revises its budget based on updated financial information. The original budget, approved at the end of June for July 1, is based on May revised figures. In addition, the District revises its budget at First and Second Interim and any other time there are significant changes.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**

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**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

- Capital assets increased by \$1,082,073 due primarily to the improvements to buildings and sites along with equipment purchases.

**Long-Term Liabilities**

- Total long-term liabilities increased \$6,184,418 or 19.9%, primarily due to the new GO Bond issuance.

The notes to the financial statements are an integral part of the financial presentation and contain more detailed information as to interest, principal, retirement amounts, and future debt retirement dates.

**ECONOMIC FACTORS BEARING ON THE DISTRICT'S FUTURE**

Student enrollment and attendance are primary factors in the computation of most funding formulas for public schools in the State of California. Enrollment is expected to decrease slightly in fiscal year 2025-26.

The future predictions require management to plan carefully and prudently to provide the resources to meet student needs over the next several years.

## **BASIC FINANCIAL STATEMENTS**

**WILLIAMS UNIFIED SCHOOL DISTRICT**

**STATEMENT OF NET POSITION**

**JUNE 30, 2025**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 38,807,211
Receivables	507,917
Prepaid expenses	88,486
Stores inventory	21,746
Capital assets, net of accumulated depreciation	24,710,299
Total Assets	64,135,659
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Discount on Certificate of Participation	33,220
Deferred outflows on OPEB (Note 7)	127,364
Deferred outflows on pensions (Note 6)	9,468,916
Total Deferred Outflows	9,629,500
<b>LIABILITIES</b>	
Accounts payable and other current liabilities	4,230,364
Unearned revenue	526,391
Long-term liabilities:	
Due within one year	4,764,322
Due in more than one year	37,217,820
Total Liabilities	46,738,897
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred bond premium revenue	1,029,120
Deferred COP premium revenue	203,325
Deferred inflows on OPEB (Note 7)	329,539
Deferred inflows on pensions (Note 6)	5,303,404
Total Deferred Inflows	6,865,388
<b>NET POSITION</b>	
Net investment in capital assets	7,460,519
Restricted	22,017,014
Unrestricted	(9,316,659)
Total Net Position	\$ 20,160,874

**WILLIAMS UNIFIED SCHOOL DISTRICT**

**STATEMENT OF ACTIVITIES**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<b>Program Revenues</b>				<b>Net (Expense) Revenues and Changes in Net Position</b>
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	<b>Governmental Activities</b>
Governmental Activities					
Instruction	\$ 10,602,172	\$ 50	\$ 2,765,733	\$ 320,438	\$ (7,515,951)
Instruction-related services:					
Instructional supervision and administration	55,624	-	32,918	-	(22,706)
Instructional library, media and technology	803,848	-	-	-	(803,848)
School site administration	1,263,848	-	354,397	-	(909,451)
Pupil Services:					
Home-to-school transportation	198,041	-	811	-	(197,230)
Food services	1,292,104	24,275	1,479,776	-	211,947
All other pupil services	820,839	111	52,012	-	(768,716)
General administration:					
Centralized data processing	51,367	-	-	-	(51,367)
All other general administration	1,495,493	802	209,718	-	(1,284,973)
Plant services	2,315,731	1,901	(55,105)	-	(2,368,935)
Ancillary services	443,795	223,069	21,299	-	(199,427)
Interest on long-term debt	707,869	-	-	-	(707,869)
Other outgo	2,531,472	12,201	(280,991)	-	(2,800,262)
Depreciation (unallocated)	1,192,721	-	-	-	(1,192,721)
Total governmental activities	<u>\$ 23,774,924</u>	<u>\$ 262,409</u>	<u>\$ 4,580,568</u>	<u>\$ 320,438</u>	<u>(18,611,509)</u>
General Revenues					
Taxes and subventions:					
Taxes levied for general purposes					4,993,058
Taxes levied for debt service					570,935
Federal and state aid not restricted to specific purposes					15,680,982
Interest and investment earnings					(95,001)
Miscellaneous					60,738
Total General Revenues					<u>21,210,712</u>
Change in Net Position					2,599,203
Net Position, July 1, 2024 as originally reported					<u>21,525,690</u>
Change in Accounting Principle (Note 1Y)					<u>(3,964,019)</u>
Net Position - beginning, As restated					<u>17,561,671</u>
Net Position, June 30, 2025					<u>\$ 20,160,874</u>



**WILLIAMS UNIFIED SCHOOL DISTRICT**

**BALANCE SHEET**

**GOVERNMENTAL FUNDS**

**JUNE 30, 2025**

	<b>General Fund</b>	<b>Building Fund</b>	<b>County School Facilities Fund</b>	<b>All Non-Major Funds</b>	<b>Totals</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 22,949,947	\$ 6,715,674	\$ 6,629,295	\$ 2,512,295	\$ 38,807,211
Accounts receivable	286,797	-	8,505	212,615	507,917
Due from other funds	43,387	10,534	-	-	53,921
Prepaid expenses	88,486	-	-	-	88,486
Stores inventory	-	-	-	21,746	21,746
Total Assets	<u>\$ 23,368,617</u>	<u>\$ 6,726,208</u>	<u>\$ 6,637,800</u>	<u>\$ 2,746,656</u>	<u>\$ 39,479,281</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities					
Accounts payable	\$ 3,447,450	\$ 315,676	\$ 19,798	\$ 12,461	\$ 3,795,385
Due to other funds	10,534	-	-	43,387	53,921
Unearned revenue	526,391	-	-	-	526,391
Total Liabilities	<u>3,984,375</u>	<u>315,676</u>	<u>19,798</u>	<u>55,848</u>	<u>4,375,697</u>
Fund balances					
Nonspendable	94,486	-	-	21,796	116,282
Restricted	6,267,223	6,410,532	6,609,555	2,729,704	22,017,014
Assigned	12,293,291	-	8,447	-	12,301,738
Unassigned	729,242	-	-	(60,692)	668,550
Total Fund Balances	<u>19,384,242</u>	<u>6,410,532</u>	<u>6,618,002</u>	<u>2,690,808</u>	<u>35,103,584</u>
Total liabilities and fund balances	<u>\$ 23,368,617</u>	<u>\$ 6,726,208</u>	<u>\$ 6,637,800</u>	<u>\$ 2,746,656</u>	<u>\$ 39,479,281</u>

**WILLIAMS UNIFIED SCHOOL DISTRICT**

**RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION**

**GOVERNMENTAL FUNDS**

**JUNE 30, 2025**

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Total fund balances - governmental funds		\$ 35,103,584
Amounts reported for assets and liabilities for governmental activities in the statement of net position are different from amounts reported in governmental funds because:		
Capital assets: In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation.		
Capital assets at historical cost	\$ 39,683,447	
Accumulated depreciation	(14,973,148)	
Net		24,710,299
Unmatured interest on long-term debt: In governmental funds, interest on long-term debt is not recognized until the period in which it matures and is paid. In the government-wide statement of activities, it is recognized in the period that it is incurred.		
		(434,979)
Unamortized premiums and discounts: In governmental funds, bond premiums are recognized as revenues in the period they are received while bond discounts are recognized as expenditures in the period they are incurred. In the government-wide statements, premiums and discounts are amortized over the life of the debt. Unamortized premiums and discounts at year-end consist of:		
Unamortized portion of COP discounts		33,220
Unamortized portion of bond premiums		(1,029,120)
Unamortized portion of COP premiums		(203,325)
Long-term liabilities: In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:		
Net pension liabilities	\$ 12,644,693	
General obligation bonds payable:		
Current Interest	17,375,000	
Net OPEB liability	1,122,151	
Capital lease payable	1,540,454	
Certificate of participation	5,050,000	
Compensated absences payable	4,249,844	
		(41,982,142)
Deferred outflows and inflows of resources relating to other postemployment benefits (OPEB): In governmental funds, deferred outflows and inflows of resources relating to OPEB are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to OPEB are reported.		
Deferred outflows of resources relating to OPEB		127,364
Deferred inflows of resources relating to OPEB		(329,539)
Deferred outflows and inflows of resources relating to pensions: In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pension are reported.		
Deferred outflows of resources relating to pensions		9,468,916
Deferred inflows of resources relating to pensions		(5,303,404)
Total net position - governmental activities		<u>\$ 20,160,874</u>

**WILLIAMS UNIFIED SCHOOL DISTRICT**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE**

**GOVERNMENTAL FUNDS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<b>General Fund</b>	<b>Building Fund</b>	<b>County School Facilities Fund</b>	<b>All Non-Major Funds</b>	<b>Totals</b>
<b>REVENUES</b>					
LCFF sources	\$ 20,221,326	\$ -	\$ -	\$ -	\$ 20,221,326
Federal revenue	663,530	-	-	1,139,457	1,802,987
Other state revenues	3,307,297	-	-	350,851	3,658,148
Other local revenues	332,666	(515,216)	45,825	828,391	691,666
Total revenues	24,524,819	(515,216)	45,825	2,318,699	26,374,127
<b>EXPENDITURES</b>					
Certificated salaries	7,922,402	-	-	-	7,922,402
Classified salaries	3,054,595	-	-	470,523	3,525,118
Employee benefits	4,599,697	-	-	207,889	4,807,586
Books and supplies	1,376,611	-	-	900,017	2,276,628
Services and other operating expenditures	2,825,815	170,000	-	110,796	3,106,611
Capital outlay	1,680,113	404,252	179,120	-	2,263,485
Other outgo	2,488,087	-	-	43,387	2,531,474
Debt service expenditures					
Principal	300,856	-	-	170,000	470,856
Interest	94,774	-	-	522,674	617,448
Total expenditures	24,342,950	574,252	179,120	2,425,286	27,521,608
Excess (deficiency) of revenues over expenditures	181,869	(1,089,468)	(133,295)	(106,587)	(1,147,481)
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating transfers in	-	-	-	200,000	200,000
Operating transfers out	(200,000)	-	-	-	(200,000)
Proceeds from debt issuance	-	7,500,000	-	-	7,500,000
Other sources	-	-	-	190,264	190,264
Total other financing sources (uses)	(200,000)	7,500,000	-	390,264	7,690,264
Net change in fund balances	(18,131)	6,410,532	(133,295)	283,677	6,542,783
Fund balances, July 1, 2024	19,402,373	-	6,751,297	2,407,131	28,560,801
Fund balances, June 30, 2025	\$ 19,384,242	\$ 6,410,532	\$ 6,618,002	\$ 2,690,808	\$ 35,103,584

**WILLIAMS UNIFIED SCHOOL DISTRICT**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF  
ACTIVITIES**

**JUNE 30, 2025**

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Total net change in fund balances - governmental funds	\$ 6,542,783
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Amounts reported for governmental activities in the statement of activities are different from amounts reported in governmental funds because:

Capital outlay: In governmental funds, the costs of capital assets are reported as expenditures in the period when the assets are acquired. In the statement of activities, costs of capital assets are allocated over their estimated useful lives as depreciation expense. The difference between capital outlay expenditures and depreciation expense for the period is:

Expenditures for capital outlay	\$ 2,274,794	
Depreciation expense	<u>(1,192,721)</u>	1,082,073

Adjustments to accumulated depreciation: Recalculating accumulated depreciation to match to capital asset listing.

Debt service: In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reductions of liabilities. Expenditures for repayment of the principal portion of long-term debt were:

470,856

Debt proceeds: In governmental funds, proceeds from debt are recognized as Other Financing Sources. In the government-wide statements, proceeds from debt are reported as increases to liabilities. Amounts recognized in governmental funds as proceeds from debt were:

(7,500,000)

Unmatured interest on long-term debt: In governmental funds, interest on long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period that it is incurred. Unmatured interest owing at the end of the period, less matured interest paid during the period but owing from the prior period was:

(57,949)

Other postemployment benefits (OPEB): In governmental funds, OPEB expenses are recognized when employer contributions are made. In the statement of activities, OPEB expenses are recognized on the accrual basis. This year, the difference between OPEB expenses and actual employer OPEB contributions was:

(91,242)

Pensions: In government funds, pension costs are recognized when employer contributions are made in the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was:

2,624,216

Compensated absences in governmental funds are measured by the amounts paid during the period. In the statement of activities, compensated absences are measured by the amounts earned. The difference between compensated absences paid and compensated absences earned was:

(248,798)

Amortization of debt issue premium or discount: In governmental funds, if debt is issued at a premium or at a discount, the premium or discount is recognized as an Other Financing Source or an Other Financing Use in the period it is incurred. In the government-wide statements, the premium or discount is amortized as interest over the life of the debt.

(222,736)

Total change in net position - governmental activities	<u>\$ 2,599,203</u>
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**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. HISTORY OF THE ORGANIZATION**

The Williams Unified School District (the "District") is a public educational agency operating under the applicable laws and regulations of the State of California. It is governed by a five-member Governing Board elected by registered voters of the District, which comprises an area in Colusa County. The District serves students in transitional kindergarten through twelfth grade.

**B. REPORTING ENTITY**

The District has reviewed criteria to determine whether other entities with activities that benefit the District should be included within its financial reporting entity. The criteria include, but are not limited to, whether the entity exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters), the scope of public service, and a special financing relationship.

The District has determined that no outside entity meets the above criteria, and therefore, no agency has been included as a component unit in the District's financial statements. In addition, the District is not aware of any entity that would exercise such oversight responsibility that would result in the District being considered a component unit of that entity.

**C. ACCOUNTING POLICIES**

The District prepares its financial statements in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA) and complies with the policies and procedures of the Department of Education's *California School Accounting Manual*.

**D. BASIS OF PRESENTATION**

Government-Wide Financial Statements

The statement of net position and the statement of activities report information on all of the non-fiduciary activities of the District and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. The District does not allocate indirect expenses to functions in the statement of activities.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**D. BASIS OF PRESENTATION (CONTINUED)**

Program revenues include charges paid by the recipients of goods or services offered by a program, as well as grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements

Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major governmental fund is presented in a separate column, and all non-major funds are aggregated into one column. Fiduciary funds are reported by fund type.

**E. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Fiduciary funds use the accrual basis of accounting.

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements are met. Expenses are recorded when liabilities are incurred.

Governmental Fund Financial Statements

Governmental fund financial statements (i.e., balance sheet and statement of revenues, expenditures, and changes in fund balances) are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Available" means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, "available" means collectible within the current period or within 60 days after year-end.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**E. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)**

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, and entitlements. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are to be used, or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**F. FUND ACCOUNTING**

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity or retained earnings, revenues, and expenditures or expenses, as appropriate. District resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The District's accounts are organized into major, non-major, and fiduciary funds as follows:

*Governmental Funds*

The **General Fund** is the general operating fund of the District and accounts for all revenues and expenditures of the District, not encompassed within other funds. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund. The General Fund includes the following funds:

- The **Deferred Maintenance Fund** is used to account separately for revenues that are restricted or committed for deferred maintenance purposes (Education Code Section 17582).
- The **Special Reserve Fund for Postemployment Benefits** is used to account for amounts the District has earmarked for the future cost of postemployment benefits but has not contributed irrevocably to a separate trust for the postemployment benefit plan.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**F. FUND ACCOUNTING (CONTINUED)**

The **Special Revenue Funds** are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

- The **Student Activity Fund** accounts for student body activities (ASB) to account for the raising and expending of money to promote the general welfare, morale and educational experience of the student body.
- The **Cafeteria Fund** is used to account separately for federal, state, and local resources to operate the food service program.

The **Capital Projects Funds** are used to account for resources used for the acquisition or construction of major capital facilities and equipment.

- The **Capital Facilities Fund** is used primarily to account separately for moneys received from fees levied on developers or other agencies as a condition of approving a development (Education Code sections 17620–17626).
- The **County Schools Facilities Fund** is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The District is using this fund to account for the Certificates of Participation activity.

The **Debt Service Funds** are used to account for the accumulation of resources for, and the payment of general long-term debt principal, interest, and related costs. The District maintains one debt service fund:

- The **Bond Interest and Redemption Fund** is maintained by the County Treasurer and is used to account for the accumulation of resources for, and the repayment of, District bonds, interest, and related costs.

*Fiduciary Funds*

Fiduciary funds are used to account for resources held for the benefit of other parties in a trustee or agent capacity. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. Fiduciary funds are presented on an economic resources measurement focus and the accrual basis of accounting, similar to the government-wide financial statements. The District does not have any fiduciary funds.



**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**G. BUDGETS AND BUDGETARY ACCOUNTING**

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. By State law, the District's Governing Board must adopt a final budget no later than July 1. A public hearing must be conducted to receive comments prior to adoption. The District's Governing Board satisfied these requirements.

These budgets are revised by the District's Governing Board and Superintendent during the year to give consideration to unanticipated income and expenditures.

Formal budgetary integration was employed as a management control device during the year for all budgeted funds. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account.

**H. ENCUMBRANCES**

Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid. All encumbrances are liquidated at June 30.

**I. DEPOSITS AND INVESTMENTS**

The District is authorized to maintain cash in banks and revolving funds that are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC).

The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (Education Code Section 41001). The County is authorized to deposit cash and invest excess funds by California Government Code Section 53648 et seq.

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instruments; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies; certificates of participation; obligations with first priority security; and collateralized mortgage obligations.

Investments with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value are stated at cost or amortized cost.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**J. INVENTORY**

Inventory in the Cafeteria Fund consists mainly of consumable supplies held for future use and are valued at average cost. Inventories are recorded as expenditures at the time individual inventory items are transferred from the warehouse to schools. Maintenance and other supplies held for physical plant repair, transportation supplies, and operating supplies are not included in inventories; rather, these amounts are recorded as expenditures when purchased.

The Cafeteria Fund records supplies expense which includes a handling charge for the delivery of government surplus food commodities. The state requires the Cafeteria Fund to record the fair market value of these commodities.

**K. CAPITAL ASSETS**

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the asset's lives are not capitalized, but are expensed as incurred. Depreciation on all capital assets is computed using a straight-line basis over the following estimated useful lives as follows: buildings and improvements, 5 to 50 years; furniture and equipment, 2 to 15 years; and vehicles, 8 years.

**L. UNEARNED REVENUE**

Cash received for federal and state special projects and programs is recognized as revenue to the extent that qualified expenditures have been incurred. Unearned revenue is recorded to the extent that cash received on specific projects and programs exceeds qualified expenditures.

**M. INTERFUND BALANCES**

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs at cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

**N. COMPENSATED ABSENCES**

All vacation pay is accrued when incurred in the government-wide financial statements. Accumulated sick leave benefits are not recognized as liabilities of the District. The District's policy is to record sick leave as an operating expense in the period taken, since such benefits do not vest, nor is payment probable; however, unused sick leave is added to the creditable service period for calculation of retirement benefits when the employee retires.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**O. DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES**

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s), and as such will not be recognized as an outflow of resources (expense/expenditures) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and as such, will not be recognized as an inflow of resources (revenue) until that time.

**P. RESTRICTED NET POSITION**

Restrictions of the ending net position indicate the portions of net position not appropriable for expenditure or amounts legally segregated for specific future use. These amounts are not available for appropriation and expenditure at the balance sheet date.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then, unrestricted resources as they are needed.

**Q. ELIMINATIONS AND RECLASSIFICATIONS**

In the process of aggregating data for the government-wide statements, some amounts reported as interfund activity and balances in the fund financial statements were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

**R. USE OF ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**S. PENSIONS**

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Williams Unified School District's California Public Employees' Retirement System (CalPERS) and California State Teachers' Retirement System (CalSTRS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS and CalSTRS, respectively. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**T. FUND BALANCE**

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*", the District is required to report fund balances in the following categories: Nonspendable, Restricted, Committed, Assigned and/or Unassigned.

*Nonspendable Fund Balance* reflects assets not in spendable form, either because they will never convert to cash (e.g. prepaid expense) or must remain intact pursuant to legal or contractual requirements.

*Restricted Fund Balance* reflects amounts that can be spent only for the *specific purposes* stipulated by constitution, external resource providers, or through enabling legislation.

*Committed Fund Balance* reflects amounts that can be used only for the *specific purposes* determined by a formal action of the government's highest level of decision-making authority: the Board of Trustees. Commitments may be established, modified, or rescinded only through resolutions approved by the Board of Trustees.

*Assigned Fund Balance* reflects amounts intended to be used by the government for *specific purposes* but do not meet the criteria to be classified as restricted or committed. Under the District's adopted policy, only the Board of Trustees is authorized to assign amounts for specific purposes.

*Unassigned Fund Balance* represents the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

When expenditures are incurred for purposes of which restricted, committed, assigned and unassigned fund balances are available, the District considers restricted funds to have been spent first, followed by committed, assigned and unassigned, respectively.

**U. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

For purposes of measuring the District's OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's OPEB Plan (OPEB Plan) and additions to/deductions from the District's fiduciary net position have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**V. LOCAL CONTROL FUNDING FORMULA/PROPERTY TAX**

The District's local control funding formula is received from a combination of local property taxes, state apportionments, and other local sources.

The County of Colusa is responsible for assessing, collecting and apportioning property taxes. Taxes are levied for each fiscal year on taxable real and personal property in the county. Taxes are levied for each fiscal year on taxable real and personal property in the county. Secured property taxes attach as an enforceable lien on property as of March 1. Property taxes become delinquent after December 10 and April 10, respectively.

Secured property taxes are recorded as revenue when apportioned, in the fiscal year of the levy. The county apportions secured property tax revenue in accordance with the alternative method of distribution prescribed by Section 4705 of the California Revenue and Taxation Code. This alternate method provides for crediting each applicable fund with its total secured taxes upon completion of the secured tax roll, approximately October 1 of each year.

The County Auditor reports the amount of the District's allocated property tax revenue to the California Department of Education. Property taxes are recorded as local control funding formula (LCFF) sources by the District.

The California Department of Education reduces the District's entitlement by the District's local property tax revenue. The balance is paid from the State General Fund, and is known as the state apportionment.

**W. FINANCING LEASES**

A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange-like transaction. The long-term liability and corresponding asset for financial leases are recorded in the financial statements to the extent that the District's lease capitalization threshold is met, \$500,000. Amortization of related assets using the straight-line method over the life of the contract. As of June 30, 2025, the District did not have any financing leases that met the threshold.

**X. SUBSCRIPTION BASED INFORMATION TECHNOLOGY AGREEMENTS (SBITA)**

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) IT software, alone or in combination with tangible capital assets (the underlying IT assets) as specified in the contract for a period of time in an exchange or exchange-like transaction. The long-term liability and corresponding asset for SBITAs are recorded in the financial statements to the extent that the District's capitalization threshold is met, \$500,000. Amortization of related assets using the straight-line method over the life of the contract. As of June 30, 2025, the District did not have any subscription based information technology agreements that met the threshold.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**Y. CHANGE IN ACCOUNTING PRINCIPLE – GASB 101, COMPENSATED ABSENCES**

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

This Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources. As a result, the sick leave will be reported as a governmental activity within the compensated absences in the basic financial statements causing the June 30, 2024 balance to be restated as follows:

Net position previously reported, June 30, 2024	\$ 21,525,690
Change in accounting principle (Note 1Y)	<u>(3,964,019)</u>
Net position as restated	<u><u>\$ 17,561,671</u></u>

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**2. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents as of June 30, 2025 consist of the following:

	<u>Governmental Activities</u>
Cash in County Treasury	\$ 38,150,485
Cash on hand and in banks	170,480
Cash in revolving fund	6,050
Cash with fiscal agent	<u>480,196</u>
Total	<u>\$ 38,807,211</u>

**A. CASH ON HAND AND IN BANKS**

Cash on hand and in banks consists of all cash held by the District and all cash maintained in commercial bank accounts owned by the District. Cash balances held in banks are insured up to \$250,000 by the Federal Depository Insurance Corporation.

**B. CASH IN REVOLVING FUNDS**

Cash in revolving fund consists of all cash maintained in commercial bank accounts that are used as revolving funds.

**C. CASH WITH FISCAL AGENT**

Cash with Fiscal Agent represents funds held by third parties restricted for the repayment of the capital lease.

**D. CASH IN COUNTY TREASURY**

County pool investments consist of District cash held by the Colusa County Treasury that is invested in the county investment pool. The fair value of the District's investment in the pool is reported in the financial statements at amounts that are based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The weighted average maturity of the pool is 1,465 days. The pool is rated AAA by Standard and Poor's.

**Interest Rate Risk.** California Government Code Section 53601 limits the District's investments to maturities of five years. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk.** Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**3. INTERFUND TRANSACTIONS**

Interfund transactions are reported as either loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables, as appropriate, and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as are imbursement. All other interfund transactions are treated as transfers. The unpaid balances at year-end, as a result of such transactions, are shown as due to and due from other funds.

	<u><b>Interfund Receivables</b></u>	<u><b>Interfund Payables</b></u>
Major Funds		
General Fund	\$ 43,387	\$ 10,534
Building Fund	10,534	-
Nonmajor Funds		
Cafeteria Fund	-	43,387
Totals	<u><u>\$ 53,920</u></u>	<u><u>\$ 53,920</u></u>

**Interfund Transfers**

Interfund transfers consist of operating transfers from funds receiving resources to funds through which the resources are to be expended. As of June 30, 2025, the interfund transfers were as follows:

Transfer from the General Fund to Captial Facilities Fund to cover COP payments.	<u>\$ 200,000</u>
Total Transfers	<u><u>\$ 200,000</u></u>



**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**4. CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2025, was as follows:

	Balance July 1, 2024	Additions and Adjustments	Deductions and Adjustments	Balance June 30, 2025
Non-depreciable assets:				
Land	\$ 589,309	\$ -	\$ -	\$ 589,309
Work in progress	2,649,575	863,117	538,677	2,974,015
Subtotal	3,238,884	863,117	538,677	3,563,324
Depreciable assets:				
Sites and improvements	6,932,129	798,835	-	7,730,964
Building and improvements	23,968,660	825,993	-	24,794,653
Furniture and equipment	3,268,980	325,526	-	3,594,506
Subtotal	34,169,769	1,950,354	-	36,120,123
Totals, at cost	37,408,653	2,813,471	538,677	39,683,447
Accumulated depreciation:				
Sites and improvements	(3,235,716)	(309,754)	-	(3,545,470)
Building and improvements	(8,548,549)	(610,158)	-	(9,158,707)
Furniture and equipment	(1,996,162)	(272,809)	-	(2,268,971)
Subtotal	(13,780,427)	(1,192,721)	-	(14,973,148)
Depreciable assets, net	20,389,342	757,633	-	21,146,975
Capital assets, net	\$ 23,628,226	\$ 1,620,750	\$ 538,677	\$ 24,710,299

The entire amount of depreciation expense was unallocated.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**5. LONG TERM LIABILITIES**

**A. SCHEDULE OF CHANGES IN LONG-TERM LIABILITIES**

A schedule of changes in long-term liabilities for the fiscal year ended June 30, 2025, is shown below:

	<b>Balance</b>			<b>Balance</b>	<b>Due</b>
	<b>July 1, 2024</b>	<b>Additions</b>	<b>Deductions</b>	<b>June 30, 2025</b>	<b>Within</b>
					<b>One Year</b>
GO Bonds	\$ 9,920,000	\$ 7,500,000	\$ 45,000	\$ 17,375,000	\$ 60,000
Capital Lease	1,716,310	-	175,856	1,540,454	199,478
Certificate of Participation	5,300,000	-	250,000	5,050,000	255,000
Net OPEB Liability	1,076,798	45,353	-	1,122,151	-
Net Pension Liability	13,491,150	-	846,457	12,644,693	-
Compensated Absences*	4,001,046	248,798	-	4,249,844	4,249,844
	<u>\$ 35,505,304</u>	<u>\$ 7,794,151</u>	<u>\$ 1,317,313</u>	<u>\$ 41,982,142</u>	<u>\$ 4,764,322</u>

\* includes prior period adjustment for GASB 101 implementation.

The General Fund and Capital Facilities Fund make payments for the capital leases. The accrued vacation (compensated absences) and other postemployment benefits will be paid by the fund for which the employee works. Payments on the General Obligation Bonds are made from the Bond Interest and Redemption Fund. The Certificates of Participation will be paid by the County School Facilities Fund.

**B. QZAB PROGRAM**

On January 29, 2014, the District entered a QZAB Lease program for the amount of \$2,885,000. The QZAB program consists generally of solar installation and lighting, retrofits to install energy efficient lighting and building repair and rehabilitation, along with electrical distribution upgrades at Williams Junior Senior High School, Williams Upper Elementary School, and Williams Elementary School, and is known as the Williams Unified School District Zone Academies, as more particularly described in the District's application to the California Department of Education, School Facilities Planning Division.

The equipment and improvements are financed by the lease, including (without limitation) installation of solar array energy system, photovoltaic equipment and related property, including (without limitation) photovoltaic modules, inverters, transformers, switches and interconnection equipment, together with all attachments, additions, accessions, parts, repairs, improvements, replacements and substitutions located on the Leased Property.

The lease details are included under the capital lease schedules on the following page.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**5. LONG TERM LIABILITIES (CONTINUED)**

**C. CAPITAL LEASES**

Description	Date of Issue	Interest Rates	Maturity Date	Amount of Original Issue	Outstanding July 1, 2024	Additions	Redeemed Current Year	Outstanding June 30, 2025
QZAB Lease	1/29/2014	1.40% - 5.34%	1/29/2032	\$ 2,885,000	\$ 1,716,310	\$ -	\$ 175,856	\$ 1,540,454
				<u>\$ 2,885,000</u>	<u>\$ 1,716,310</u>	<u>\$ -</u>	<u>\$ 175,856</u>	<u>\$ 1,540,454</u>

The leases have minimum payments as follows:

Year Ended June 30,	Principal	Interest	Total
2026	\$ 199,478	\$ 20,522	\$ 220,000
2027	202,285	17,715	220,000
2028	205,132	14,868	220,000
2029	219,321	11,981	231,302
2030	256,553	8,656	265,209
2031-2032	457,685	6,430	464,115
Totals	<u>\$ 1,540,454</u>	<u>\$ 80,172</u>	<u>\$ 1,620,626</u>

**D. CERTIFICATES OF PARTICIPATION**

In 2016, the District issued Certificates of Participation in the aggregate principal amount of \$3,490,000 for the purpose of financing the acquisition, construction, installation, improvement and equipping of various District facilities, the Certificates, purchase a reserve fund municipal bond insurance policy in lieu of cash funding a bond reserve fund for the Certificates, and pay costs of delivery of the Certificates. The 2016 Certificates of Participation mature through May 2041, and have interest rates ranging from 2.0% to 3.125%.

In 2019, the District issued Certificates of Participation in the aggregate principal amount of \$3,185,000 to (a) finance the acquisition, construction, installation, improvement and equipping of various District facilities, as described herein, (b) purchase a municipal bond insurance policy and a reserve fund municipal bond insurance policy in lieu of cash funding a bond reserve fund for the Certificates; and (c) pay the costs of the execution and delivery of the Certificates. The 2019 Certificates of Participation mature through November 2039 and have interest rates ranging from 2.0% to 4.0%.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**5. LONG TERM LIABILITIES (CONTINUED)**

**D. CERTIFICATES OF PARTICIPATION (CONTINUED)**

Description	Date Of Issue	Interest Rates	Maturity Date	Amount of Original Issue	Outstanding July 1, 2024	Additions	Redeemed Current Year	Outstanding June 30, 2025
2016 COP	4/14/2016	2.00% - 3.125%	5/1/2041	\$ 3,490,000	\$ 2,590,000	\$ -	\$ 125,000	\$ 2,465,000
2019 COP	7/11/2019	2.00% - 4.000%	11/1/2039	3,185,000	2,710,000	-	125,000	2,585,000
				<u>\$ 6,675,000</u>	<u>\$ 5,300,000</u>	<u>-</u>	<u>\$ 250,000</u>	<u>\$ 5,050,000</u>

The table below is a schedule of the future payments for the 2016 Certificates of Participation as of June 30, 2025.

Year Ended June 30,	Principal	Interest	Total
2026	\$ 255,000	\$ 162,738	\$ 417,738
2027	265,000	155,913	420,913
2028	270,000	147,425	417,425
2029	280,000	138,450	418,450
2030	285,000	129,106	414,106
2031-2035	1,605,000	487,607	2,092,607
2036-2040	1,900,000	185,989	2,085,989
2041	190,000	-	190,000
Totals	<u>\$ 5,050,000</u>	<u>\$ 1,407,228</u>	<u>\$ 6,457,228</u>

Payments of Certificates of Participation are made from the General Fund.

**E. GENERAL OBLIGATION BONDS**

On August 23, 2017, the District issued Measure C Series A (2017) General Obligation Bonds (the "Bonds") in the aggregate principal amount of \$4,000,000 for the purpose of financing the school facility improvements and to pay certain costs of issuance associated therewith.

On May 23, 2018, the District issued Measure C Series B (2018) General Obligation Bonds (the "Bonds") in the aggregate principal amount of \$4,000,000 for the purpose of financing the school facility improvements and to pay certain costs of issuance associated therewith.

On July 11, 2019, the District issued Measure C Series C (2019) General Obligation Bonds (the "Bonds") in the aggregate principal amount of \$3,000,000 to modernize, renovate and/or construct classrooms, restrooms, libraries and school facilities, make health, safety and handicapped accessibility improvements, replace temporary portables and upgrade P.E. fields and facilities for school and community use.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**5. LONG TERM LIABILITIES (CONTINUED)**

**E. GENERAL OBLIGATION BONDS (CONTINUED)**

The Bonds are payable from the proceeds of *ad valorem* property taxes which the Board of Supervisors of the Colusa County are obligated to levy and collect on all taxable property in the District for the payment of principal and interest on the Bonds when due. The Series A, Series B, and Series C bonds carry interest rates ranging from 2.0% to 5.0% and mature in staggered amounts each year starting in August 1, 2018 up through August 1, 2048.

Description	Date Of Issue	Interest Rates	Maturity Date	Amount of Original Issue	Outstanding July 1, 2024	Additions	Redeemed Current Year	Outstanding June 30, 2025
GO Bond Election of 2016, Series A	8/23/2017	2.25% - 5.00%	8/1/2047	\$ 4,000,000	\$ 2,940,000	\$ -	\$ -	\$ 2,940,000
GO Bond Election of 2016, Series B	5/3/2018	2.00% - 5.00%	8/1/2047	4,000,000	3,980,000	-	30,000	3,950,000
GO Bond Election of 2016, Series C	7/11/2019	2.00% - 5.00%	8/1/2048	3,000,000	3,000,000	-	15,000	2,985,000
GO Bond Election of 2024, Series A	5/21/2025	5.00%	8/1/2054	7,500,000	-	7,500,000	-	7,500,000
				<u>\$ 18,500,000</u>	<u>\$ 9,920,000</u>	<u>\$ 7,500,000</u>	<u>\$ 45,000</u>	<u>\$17,375,000</u>

The annual requirements to amortize the bonds as of June 30, 2025 are as follows:

Year Ended June 30,	Principal	Interest	Total
2026	\$ 60,000	\$ 683,567	\$ 743,567
2027	310,000	791,050	1,101,050
2028	300,000	778,488	1,078,488
2029	120,000	770,550	890,550
2030	145,000	767,488	912,488
2031-2035	1,260,000	3,740,100	5,000,100
2036-2040	2,475,000	3,408,431	5,883,431
2041-2045	4,370,000	2,686,250	7,056,250
2046-2050	5,220,000	1,418,775	6,638,775
2051-2054	3,115,000	411,625	3,526,625
Totals	<u>\$ 17,375,000</u>	<u>\$ 15,456,324</u>	<u>\$ 32,831,324</u>

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**6. EMPLOYEE RETIREMENT SYSTEMS**

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. Certificated employees are members of the State Teachers' Retirement System (STRS), and classified employees are members of the California Public Employees' Retirement System (CalPERS).

**Plan Description**

**California Public Employees' Retirement System (CalPERS)**

The District contributes to the School Employer Pool under the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the Public Employees' Retirement Law. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS annual financial report may be obtained from the CalPERS Headquarters, 400 Q Street, Sacramento, California 95811.

**State Teachers' Retirement System (STRS)**

The District contributes to the State Teachers' Retirement System (STRS), a cost-sharing, multiple-employer, public employee retirement system defined benefit pension plan administered by STRS. The plan provides retirement and disability benefits and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers' Retirement Law. STRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the STRS annual financial report may be obtained from the STRS Headquarters, 100 Waterfront Place, West Sacramento, California 95605.

The Plans' provisions and benefits in effect at June 30, 2025, are summarized as follows:

	<b>CalPERS</b>		<b>CalSTRS</b>	
	Prior to January 1, 2013	On or after January 1, 2013	Prior to January 1, 2013	On or after January 1, 2013
Hire date				
Benefit formula	2% @ 55	2% @ 62	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	55	62	60	62
Monthly benefits, as a % of eligible compensation	2.0%	2.0%	2.0%	2.0%
Required employee contribution rates	7%	8%	10.25%	10.21%
Required employer contribution rates	27.05%	27.05%	19.10%	19.10%

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**6. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

Contributions

**CalPERS**

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

**STRS**

Required member, employer and state contribution rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. Contribution rates are expressed as a level percentage of payroll using the entry age normal actuarial cost method.

For the year ended June 30, 2025, the contributions reported as deferred outflows of resources related to pensions recognized as part of pension expense for each Plan were as follows:

	<b>CalPERS</b>	<b>STRS</b>	<b>Total</b>
Contributions - employer	\$ 820,336	\$ 1,438,332	\$ 2,258,668
On behalf contributions - state	-	652,664	652,664
Total	<u>\$ 820,336</u>	<u>\$ 2,090,996</u>	<u>\$ 2,911,332</u>

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2025, the District's reported net pension liabilities for its proportionate share of the net pension liability of the Plans' of:

	<b>Proportionate Share of Net Pension Liability</b>
CalPERS	\$ 5,599,525
STRS	7,045,168
Total Net Pension Liability	<u>\$ 12,644,693</u>

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**6. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

The District's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2024, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability for the Plan as of June 30, 2023 and 2024 was as follows:

<b>Measurement</b>			
<b>Dates</b>	<b>Fiscal Year</b>	<b>CalPERS</b>	<b>STRS</b>
June 30, 2023	2023-24	0.01568%	0.01026%
June 30, 2024	2024-25	0.01567%	0.01049%
Change - Increase (Decrease)		<u>-0.00001%</u>	<u>0.00023%</u>

For the year ended June 30, 2025, the District recognized pension expense of \$2,624,216. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>CalPERS</b>		<b>STRS</b>		<b>Total</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Pension contributions subsequent to measurement date	\$ 820,336	\$ -	\$ 2,090,996	\$ -	\$ 2,911,332	\$ -
Difference between proportionate share of aggregate employer contributions and actual contributions for 2023-24	85,673	605,769	98,686	1,111,703	184,359	1,717,472
Changes of Assumptions	123,768	-	30,840	481,161	154,608	481,161
Differences between Expected and Actual Experience	469,438	40,076	796,899	308,082	1,266,337	348,158
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	1,459,757	840,787	3,275,013	1,887,401	4,734,770	2,728,188
Net differences between projected and actual investment earnings on pension plan investments	217,509	-	-	28,427	217,509	28,427
Total	<u>\$ 3,176,481</u>	<u>\$ 1,486,632</u>	<u>\$ 6,292,434</u>	<u>\$ 3,816,774</u>	<u>\$ 9,468,915</u>	<u>\$ 5,303,406</u>



**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**6. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

The amounts reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2026. Other amounts reported as deferred inflows and outflows of resources related to pensions will be recognized as pension expense as follows:

<b>Year Ended June 30</b>	<b>CalPERS</b>	<b>STRS</b>	<b>Total Deferred Outflows/ (Inflows) of Resources</b>
2026	\$ 210,683	\$ 53,328	\$ 264,011
2027	210,683	53,328	264,011
2028	210,683	53,328	264,011
2029	193,964	53,328	247,292
2030	43,500	53,326	96,826
Thereafter	-	118,026	118,026
Total	<u>\$ 869,513</u>	<u>\$ 384,664</u>	<u>\$ 1,254,177</u>

Actuarial Assumptions

The total pension liabilities in the June 30, 2023 actuarial valuations were determined using the following actuarial assumptions:

	<b>CalPERS</b>	<b>STRS</b>
Valuation Date	June 30, 2023	June 30, 2023
Measurement Date	June 30, 2024	June 30, 2024
Actuarial Cost Method	Entry-Age Normal Cost	Entry-Age Normal Cost
Actuarial Assumptions		
Discount Rate	6.90%	7.10%
Inflation	2.30%	2.75%
Payroll Growth Rate	2.80%	3.25%
Projected Salary Increase	Varies by Entry Age and Service	Varies by Entry Age and Service
Investment Rate of Return <sup>(1)</sup>	6.80%	7.10%
Mortality	Derived using CalPERS' Membership Data for all Funds	Derived using STRS' Membership Data for all Funds

<sup>(1)</sup> Net of pension plan investment expenses, including inflation.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**6. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

The mortality table used was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

STRS uses a generational mortality assumption, which is based off generational mortality tables that reflect expected future improvements in mortality and includes a base table and a projection table. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among our members. The projection table reflects the expected annual reduction in mortality rates at each age. The current mortality assumption uses a base year of 2023, and projected improvement is based on the MP– 2021 Ultimate Projection Scale.

**Discount Rate**

**CalPERS**

The discount rate used to measure the total pension liability for the Plan was 6.90%. These discount rates are equal to the long-term expected rate of return of the respective plan assets and are net of investment expense but not reduced for administrative expenses.

In determining the long-term expected rate of return, CalPERS took into account 20-year market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

The expected real rates of return by asset class are on the following table:

Asset Class	CalPERS	
	Assumed Asset Allocation	Real Return <sup>(a)(b)</sup>
Global Equity - Cap-weighted	30.0%	4.54%
Global Equity Non-Cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	-5.0%	-0.59%
	100.0%	

<sup>(a)</sup> An expected inflation of 2.30% used for this period.

<sup>(b)</sup> Figures are based on the 2021-22 Asset Liability Management study.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**6. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

Discount Rate

**STRS**

The discount rate used to measure the total pension liability was 7.10%, which was unchanged from prior fiscal year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers are made at statutory contribution rates in accordance with the rate increases actuarially determined. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return of 7.10% and assume that contributions, benefit payments and administrative expenses occur midyear. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term investment rate of return assumption was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class/strategy. Expected real rates of return are net of our 2.75% inflation assumption and are derived from best-estimate ranges of 20- to 30-year geometrically linked expected returns. These best-estimate ranges were developed using capital market assumptions from CalSTRS investment staff and investment consultants as inputs to the process.

The actuarial investment rate of return assumption was adopted by the board in January 2024 in conjunction with the most recent experience study. For each current and future valuation, STRS' independent consulting actuary (Milliman) reviews the return assumption for reasonableness based on the most current capital market assumptions. The assumed asset allocation and best estimates of the expected rates of return for each major asset class/strategy as of June 30, 2024, are summarized in the following table:

Asset Class	STRS	
	Assumed Asset Allocation	Long-Term Expected Real Rate of Return <sup>(a)(b)</sup>
Public Equity	38.0%	5.25%
Real Estate	15.0%	4.05%
Private Equity	14.0%	6.75%
Fixed Income	14.0%	2.45%
Risk Mitigating Strategies	10.0%	2.25%
Inflation Sensitive	7.0%	3.65%
Cash/Liquidity	2.0%	0.05%
Total	100%	

<sup>(a)</sup> 20- to 30-year geometric average.

<sup>(b)</sup> Real rates of return are net of assumed 2.75%

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**6. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

**Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the District's proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

<b>CalPERS</b>			
	Discount Rate - 1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate + 1% (7.90%)
Plan's Net Pension Liability/(Asset)	\$ 8,318,141	\$ 5,599,525	\$ 3,353,731

<b>STRS</b>			
	Discount Rate - 1% (6.10%)	Current Discount Rate (7.10%)	Discount Rate + 1% (8.10%)
Plan's Net Pension Liability/(Asset)	\$ 12,531,048	\$ 7,045,168	\$ 2,464,230

**Pension Plan Fiduciary Net Position**

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS and STRS comprehensive annual financial reports available on the CalPERS' and STRS' websites.

**Payable to the Pension Plan**

As of June 30, 2025, the District had no outstanding required contributions to the pension plans.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

General Information about the OPEB Plan

*Plan description.* The plan is a single-employer defined benefit plan. The plan provides other medical, dental, and vision coverage for eligible certificated, classified, and management employees of the District. The authority to establish and amend the benefit terms and financing requirements are governed by collective bargaining agreements with plan members. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. The Plan does not issue financial statements.

*Benefits provided.* For retirees who meet the additional age and service requirements shown below, the District pays up to 100% of the medical, dental, and/or vision premiums for the retiree only, not to exceed the maximum amount(s) shown below. Coverage ends when the retiree reaches age 65.

Employee Type	Certificated		Classified	Management & Confidential
District Date of Hire	Before 7/1/2014	On/After 7/1/2014	Any	Before 7/1/2011
Benefit Provided	Medical		Medical, Dental, & Vision	
Duration of Benefits			To age 65	
Required Service	15	20	15	15
Minimum Age at Retirement	55	58	60	55
District Contribution	100% Retiree Only Premium up to District Cap			
District Cap	\$935		\$935	Follows Certificated or Classified

*Contributions.* The contribution requirements of Plan members and the District are established and may be amended by the District, the Williams Teachers Association (WTA), and the local California School Employees Association (CSEA) chapter. The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2024-25, the District contributed \$43,827 to the Plan, all of which was used for current premiums.

*Employees covered by benefit terms.* At the June 30, 2024 measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	4
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	104
Total	108

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)**

Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2023 for the fiscal year ending June 30, 2025.

*Actuarial assumptions.* The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Funding Method	Entry Age Normal Cost, level percent of pay
Asset Valuation Method	N/A; the plan is not being funded through a trust
Participants Valued	Only current active employees and retired participants and covered dependents are valued. No future entrants are considered.
Municipal Bond Index	Bond Buyer GO 20 Bond Index
Discount Rate	3.93% as of June 30, 2024 3.65% as of June 30, 2023
General Inflation Rate	2.5% per year
Salary Increase	3.0% per year; since benefits do not depend on salary, this is used to allocate the cost of benefits between service years.
Healthcare cost trend rates	7.0% grading down to 3.9% for years 2076 and later

Demographic actuarial assumptions used in this valuation are based on the following two studies:

*For CalPERS members:* From the 2021 experience study of the California Public Employees Retirement System using data from 1997 to 2019, except for a different basis used to project future mortality improvements.

*For CalSTRS members:* On the January 2020 CalSTRS experience study report. The representative mortality rates were those published by CalSTRS in the 2020 study before projection; applying the mortality improvement described below.

Mortality Improvement	MacLeod Watts Scale 2022 applied generationally, from 2017 for CalPERS members and from 2019 for CalSTRS members
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**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)**

Changes in the Net OPEB Liability

	<b>Increase (Decrease)</b>		
	<b>Total OPEB Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net OPEB Liability (a) - (b)</b>
Balances at June 30, 2023, Measurement Date	\$ 1,076,798	\$ -	\$ 1,076,798
Changes for the year:			
Service cost	68,945	-	68,945
Interest cost	41,050	-	41,050
Plan experience		-	-
Employer contributions	-	42,180	(42,180)
Assumption changes	(22,462)		(22,462)
Differences between expected and actual	-	-	-
Benefit payments	(42,180)	(42,180)	-
Administrative expense	-	-	-
Net changes	45,353	-	45,353
Balances at June 30, 2024, Measurement Date	\$ 1,122,151	\$ -	\$ 1,122,151

*Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates.* The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.93 percent) or 1-percentage-point higher (4.93 percent) than the current discount rate:

	<b>1% Decrease (2.93%)</b>	<b>Discount Rate (3.93%)</b>	<b>1% Increase (4.93%)</b>
Net OPEB liability (asset)	\$ 1,203,837	\$ 1,122,151	\$ 1,044,501

*Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates.* The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<b>1% Decrease</b>	<b>Current Trend</b>	<b>1% Increase</b>
Net OPEB liability (asset)	\$ 1,023,768	\$ 1,122,151	\$ 1,235,227

*OPEB plan fiduciary net position.* The plan has no assets.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)**

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2025, the District recognized OPEB expense of (\$91,242). At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 185,359
Changes of assumptions	83,537	144,180
Net difference between projected and actual earnings on OPEB plan investments	-	-
Contributions made subsequent to measurement date	43,827	-
Total	<u>\$ 127,364</u>	<u>\$ 329,539</u>

The District will recognize the contributions made subsequent to the measurement date in the next fiscal year. Other amounts reported as deferred outflows/(inflows) of resources related to OPEB will be recognized as OPEB expense as follows:

<b>Year Ended June 30</b>	<b>Total Deferred Outflows/(Inflows) of Resources</b>
2026	\$ (25,227)
2027	(25,227)
2028	(25,227)
2029	(25,227)
2030	(25,227)
Thereafter	(119,867)
Total	<u>\$ (246,002)</u>

Payable to the OPEB Plan

At June 30, 2025, the District had no outstanding amount of contributions to the OPEB plan required for the year ended June 30, 2025.



**WILLIAMS UNIFIED SCHOOL DISTRICT**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**8. FUND BALANCES**

The District reports fund balances in accordance with Governmental Accounting Standards Board Statement No. 54. All fund balance categories are reported in the aggregate on the face of the balance sheet. All components of those fund balances and specific purposes are identified as follows:

	<b>General Fund</b>	<b>Building Fund</b>	<b>County School Facilities Fund</b>	<b>All Non-Major Funds</b>	<b>Total</b>
Nonspendable:					
Revolving Cash	\$ 6,000	\$ -	\$ -	\$ 50	\$ 6,050
Stores	-	-	-	21,746	21,746
Prepaid Items	88,486	-	-	-	88,486
Total Nonspendable	94,486	-	-	21,796	116,282
Restricted:					
Expanded Learning Opportunities Program	2,033,281	-	-	-	2,033,281
Learning Recovery Emergency Block Grant	1,814,536	-	-	-	1,814,536
Arts, Music, and Instructional Materials Discretionary Block Grant	30,329	-	-	-	30,329
Arts and Music in Schools (AMS)-Funding Guarantee and Accountability Act (Prop 28)	399,007	-	-	-	399,007
California Clean Energy Jobs Act	56,802	-	-	-	56,802
Educator Effectiveness, FY 2021-22	87,922	-	-	-	87,922
Lottery: Instructional Materials	884,015	-	-	-	884,015
Golden State Pathways Program	103,315	-	-	-	103,315
Classified School Employee Professional Development Block Grant	7,944	-	-	-	7,944
A-G Learning Loss Mitigation Grant	2,008	-	-	-	2,008
Literacy Coaches and Reading Specialists Grant Program	426,329	-	-	-	426,329
Low-Performing Students Block Grant	9,311	-	-	-	9,311
LCFF Equity Multiplier	100,535	-	-	-	100,535
Student Activity Funds	-	-	-	170,480	170,480
Child Nutrition: School Programs	-	-	-	997,398	997,398
Child Nutrition: Child Care Food Program (CCFP) Claims-Centers and Family Day Care Homes (Meal Reimbursements)	-	-	-	1,423	1,423
Child Nutrition: School Food Best Practices Apportionment	-	-	-	9,735	9,735
State School Facilities Projects	-	-	6,609,555	-	6,609,555
Other Restricted State	20,101	-	-	-	20,101
Other Restricted Local	291,788	6,410,532	-	1,550,668	8,252,988
Total Restricted	6,267,223	6,410,532	6,609,555	2,729,704	22,017,014
Assigned:					
Affordable Care Act	50,000	-	-	-	50,000
Construction Contingency	1,500,000	-	-	-	1,500,000
Board Reserve Policy	3,321,507	-	-	-	3,321,507
Lottery	716,444	-	-	-	716,444
Other Assignments	6,705,340	-	8,447	-	6,713,787
Total Assigned	12,293,291	-	8,447	-	12,301,738
Unassigned:					
Reserve for Economic Uncertainties	729,242	-	-	-	729,242
Unassigned/Unappropriated Amount	-	-	-	(60,692)	(60,692)
Total Unassigned	729,242	-	-	(60,692)	668,550
Total Fund Balances	\$ 19,384,242	\$ 6,410,532	\$ 6,618,002	\$ 2,690,808	\$ 35,103,584

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**9. JOINT VENTURES**

The District participates in three joint ventures under joint powers agreements (JPAs); the Tri-Counties Self Insurance Group (Tri-Counties SIG), the North Valley Schools Insurance Group (NVSIG) and the Schools Excess Liability Fund (SELF) for property, liability, workers' compensation, health benefits and excess liability coverage. The relationships between the District and the JPAs are such that the JPAs are not component units of the District for financial reporting purposes.

The JPAs arrange for and provide coverage for its members. The JPAs are governed by a board consisting of a representative from each member district. Each board controls the operations of their JPAs, including selection of management and approval of operating budgets independent of any influence by the member districts beyond their representation on the Board. Each member district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionately to their participation in the JPAs.

The JPAs are audited on an annual basis. Financial information can be obtained by contacting each JPAs management. Condensed financial information for the JPAs for the most recent fiscal year are available as follows:

	Tri-Counties SIG	NVSIG	SELF
	June 30, 2024*	June 30, 2023*	June 30, 2024*
Total Assets	\$ 31,733,505	\$ 4,221,757	\$ 374,570,694
Deferred Outflows of Resources	371,071	-	636,320
Total Liabilities	16,327,737	918,359	263,508,895
Deferred Inflows of Resources	637,234	-	57,023
Net Position	\$ 15,139,605	\$ 3,303,398	\$ 111,641,096
Revenues	\$ 57,450,818	\$ 13,966,263	\$ 218,911,380
Expenditures	60,241,422	13,650,996	145,846,362
Change in Net Position	\$ (2,790,604)	\$ 315,267	\$ 73,065,018

\* Latest available audited financial reports.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**10. EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

The District incurred unanticipated expenditures in excess of appropriations in expenditure classifications for which the budget was not revised.

Excess of expenditures over appropriations for the year ended June 30, 2025 were as follows:

<u>General Fund</u>	<u>Excess Expenditures</u>
Capital Outlay	\$ 645,016
Other Outgoing	13,528

The excess is not in accordance with Education Code 42600. The excess expenditures for Capital Outlay are primarily due to facility improvement and repair costs being higher than anticipated. The excess expenditures for Other Outgoing are primarily due the Special Education billback from Colusa COE being higher than anticipated.

**11. COMMITMENTS AND CONTINGENCIES**

The District has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. If the review or audit discloses exceptions, the District may incur a liability to grantor agencies.

**12. SUBSEQUENT EVENTS**

The District's management has reviewed its financial statements and evaluated subsequent events for the period of time from its year ended June 30, 2025 through December 1, 2025, the date the financial statements were issued. Management is not aware of any subsequent events, other than those described above, that would require recognition or disclosure in the accompanying financial statements.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**WILLIAMS UNIFIED SCHOOL DISTRICT**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET (NON-GAAP) AND ACTUAL**

**GENERAL FUND**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<b>Budget</b>		<b>Actual</b>	<b>Variance with Final Budget Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
LCFF sources	\$ 19,405,879	\$ 19,188,303	\$ 20,221,326	\$ 1,033,023
Federal revenue	615,490	884,354	663,530	(220,824)
Other state revenues	1,819,057	2,306,512	3,307,297	1,000,785
Other local revenues	93,000	1,265,843	332,666	(933,177)
Total revenues	<u>21,933,426</u>	<u>23,645,012</u>	<u>24,524,819</u>	<u>879,807</u>
<b>EXPENDITURES</b>				
Certificated salaries	8,053,544	8,133,996	7,922,402	211,594
Classified salaries	3,121,858	3,190,918	3,054,595	136,323
Employee benefits	4,978,985	4,877,501	4,599,697	277,804
Books and supplies	1,705,935	2,188,970	1,376,611	812,359
Services and other operating expenditures	2,244,566	2,963,227	2,825,815	137,412
Capital outlay	649,066	1,035,097	1,680,113	(645,016)
Other outgoing	<u>2,572,551</u>	<u>2,870,189</u>	<u>2,883,717</u>	<u>(13,528)</u>
Total expenditures	<u>23,326,505</u>	<u>25,259,898</u>	<u>24,342,950</u>	<u>916,948</u>
Excess (deficiency) of revenues over expenditures	<u>(1,393,079)</u>	<u>(1,614,886)</u>	<u>181,869</u>	<u>1,796,755</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	-	(14,960)	-	14,960
Operating transfers out	<u>(200,000)</u>	<u>(200,014)</u>	<u>(200,000)</u>	<u>(14)</u>
Total other financing sources (uses)	<u>(200,000)</u>	<u>(214,974)</u>	<u>(200,000)</u>	<u>14,946</u>
Net change in fund balances	<u>(1,593,079)</u>	<u>(1,829,860)</u>	<u>(18,131)</u>	<u>1,811,701</u>
Fund balances, July 1, 2024	<u>19,402,373</u>	<u>19,402,373</u>	<u>19,402,373</u>	<u>-</u>
Fund balances, June 30, 2025	<u><u>\$ 17,809,294</u></u>	<u><u>\$ 17,572,513</u></u>	<u><u>\$ 19,384,242</u></u>	<u><u>\$ 1,811,701</u></u>

**WILLIAMS UNIFIED SCHOOL DISTRICT**

**SCHEDULE OF CHANGES IN THE DISTRICT'S NET OPEB LIABILITY AND RELATED RATIOS**

**JUNE 30, 2025**

<b>Fiscal Year End: June 30,</b>	<b>2025*</b>	<b>2024*</b>	<b>2023*</b>	<b>2022*</b>	<b>2021*</b>	<b>2020*</b>	<b>2019*</b>	<b>2018*</b>
Measurement Date:	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017
<b>Total OPEB liability</b>								
Service cost	\$ 68,945	\$ 61,024	\$ 75,586	\$ 78,440	\$ 60,436	\$ 79,094	\$ 76,977	\$ 74,917
Interest	41,050	39,080	25,456	25,488	34,978	42,849	41,744	39,349
Plan experience	-	(11,527)	-	(34,627)	-	(275,171)	-	-
Changes of assumptions	(22,462)	(32,773)	(116,877)	12,593	104,189	17,500	-	-
Benefit payments	(42,180)	(43,887)	(44,449)	(63,175)	(58,509)	(88,140)	(90,445)	(82,286)
<b>Net change in total OPEB liability</b>	<b>45,353</b>	<b>11,917</b>	<b>(60,284)</b>	<b>18,719</b>	<b>141,094</b>	<b>(223,868)</b>	<b>28,276</b>	<b>31,980</b>
<b>Total OPEB liability - beginning</b>	<b>1,076,798</b>	<b>1,064,881</b>	<b>1,125,165</b>	<b>1,106,446</b>	<b>965,352</b>	<b>1,189,220</b>	<b>1,160,944</b>	<b>1,128,964</b>
<b>Total OPEB liability - ending (a)</b>	<b>\$ 1,122,151</b>	<b>\$ 1,076,798</b>	<b>\$ 1,064,881</b>	<b>\$ 1,125,165</b>	<b>\$ 1,106,446</b>	<b>\$ 965,352</b>	<b>\$ 1,189,220</b>	<b>\$ 1,160,944</b>
<b>Plan fiduciary net position</b>								
Contributions - employer	\$ -	\$ 43,887	\$ 44,449	\$ 63,175	\$ 58,509	\$ 88,140	\$ 90,445	\$ 82,286
Benefit payments	-	(43,887)	(44,449)	(63,175)	(58,509)	(88,140)	(90,445)	(82,286)
<b>Net change in plan fiduciary net position</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Plan fiduciary net position - beginning</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>District's net OPEB liability - ending (a) - (b)</b>	<b>\$ 1,122,151</b>	<b>\$ 1,076,798</b>	<b>\$ 1,064,881</b>	<b>\$ 1,125,165</b>	<b>\$ 1,106,446</b>	<b>\$ 965,352</b>	<b>\$ 1,189,220</b>	<b>\$ 1,160,944</b>
Plan fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Covered-employee payroll	\$ 10,670,356	\$ 9,447,720	\$ 9,149,774	\$ 8,645,588	\$ 8,608,752	\$ 8,330,082	\$ 8,297,710	\$ 8,297,710
District's net OPEB liability as a percentage of covered-employee payroll	10.5%	11.4%	11.6%	13.0%	12.9%	11.6%	14.3%	14.0%

\* GASB 75 requires presentation of the 10-year history of changes in the Net OPEB Liability. Since this is the eighth year of implementation, only results for fiscal years 2018 through 2024 are shown in this table.

**WILLIAMS UNIFIED SCHOOL DISTRICT**

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

<b>CalPERS</b>	<b>June 30, 2015 <sup>(1)</sup></b>	<b>June 30, 2016 <sup>(1)</sup></b>	<b>June 30, 2017 <sup>(1)</sup></b>	<b>June 30, 2018 <sup>(1)</sup></b>	<b>June 30, 2019 <sup>(1)</sup></b>	<b>June 30, 2020 <sup>(1)</sup></b>	<b>June 30, 2021 <sup>(1)</sup></b>	<b>June 30, 2022 <sup>(1)</sup></b>	<b>June 30, 2023 <sup>(1)</sup></b>	<b>June 30, 2024 <sup>(1)</sup></b>
Proportion of the net pension liability (asset)	0.01719%	0.01773%	0.01694%	0.01593%	0.01462%	0.01446%	0.01548%	0.01594%	0.01568%	0.01568%
Proportionate share of the net pension liability (asset)	\$ 2,533,116	\$ 3,502,388	\$ 4,044,654	\$ 4,248,155	\$ 4,260,752	\$ 4,436,793	\$ 3,148,770	\$ 5,486,089	\$ 5,674,738	\$ 5,599,525
Covered payroll <sup>(2)</sup>	\$ 1,890,360	\$ 1,814,840	\$ 1,931,962	\$ 1,807,031	\$ 1,854,607	\$ 2,615,894	\$ 2,007,294	\$ 2,206,693	\$ 2,580,566	\$ 3,048,033
Proportionate Share of the net pension liability (asset) as a percentage of covered payroll	134.00%	192.99%	209.35%	235.09%	229.74%	169.61%	156.87%	248.61%	219.90%	183.71%
Plan fiduciary net position as a percentage of the total pension liability (asset)	79.43%	73.90%	71.87%	70.85%	70.05%	70.00%	80.97%	69.76%	69.96%	72.29%
Proportionate share of aggregate employer contributions <sup>(3)</sup>	\$ 223,951	\$ 252,045	\$ 300,053	\$ 326,386	\$ 365,747	\$ 541,490	\$ 459,871	\$ 559,838	\$ 688,495	\$ 824,493
<b>STRS</b>	<b>June 30, 2015 <sup>(1)</sup></b>	<b>June 30, 2016 <sup>(1)</sup></b>	<b>June 30, 2017 <sup>(1)</sup></b>	<b>June 30, 2018 <sup>(1)</sup></b>	<b>June 30, 2019 <sup>(1)</sup></b>	<b>June 30, 2020 <sup>(1)</sup></b>	<b>June 30, 2021 <sup>(1)</sup></b>	<b>June 30, 2022 <sup>(1)</sup></b>	<b>June 30, 2023 <sup>(1)</sup></b>	<b>June 30, 2024 <sup>(1)</sup></b>
Proportion of the net pension liability (asset)	0.01002%	0.01069%	0.01063%	0.01148%	0.01098%	0.01091%	0.01035%	0.01087%	0.01026%	0.01026%
Proportionate share of the net pension liability (asset)	\$ 6,746,556	\$ 8,643,019	\$ 9,830,722	\$ 10,548,191	\$ 9,913,646	\$ 10,577,003	\$ 4,709,866	\$ 7,549,764	\$ 7,816,412	\$ 7,045,168
Covered payroll <sup>(2)</sup>	\$ 3,849,292	\$ 4,542,464	\$ 4,911,594	\$ 5,415,135	\$ 5,617,082	\$ 6,615,703	\$ 6,274,900	\$ 6,301,304	\$ 6,170,550	\$ 6,890,524
Proportionate Share of the net pension liability (asset) as a percentage of covered payroll	175.27%	190.27%	200.15%	194.79%	176.49%	159.88%	75.06%	119.81%	126.67%	102.24%
Plan fiduciary net position as a percentage of the total pension liability (asset)	74.02%	70.04%	69.46%	70.99%	72.56%	71.82%	87.21%	81.20%	80.62%	83.55%
Proportionate share of aggregate employer contributions <sup>(3)</sup>	\$ 413,029	\$ 571,442	\$ 708,743	\$ 881,584	\$ 960,521	\$ 1,068,436	\$ 1,061,713	\$ 1,203,549	\$ 1,178,575	\$ 1,316,090

<sup>(1)</sup> Historical information is required only for measurement periods for which GASB 68 is applicable. This is the measurement date of the actuarial report.

<sup>(2)</sup> Covered payroll is the payroll on which contributions to a pension plan are based.

<sup>(3)</sup> The Plan's proportionate share of aggregate contributions may not match the actual contributions made by the employer during the measurement period. The Plan's proportionate share of aggregate contributions is based on the Plan's proportion of fiduciary net position as well as any additional side fund (or unfunded liability) contributions made by the employer during the measurement period.

**WILLIAMS UNIFIED SCHOOL DISTRICT**

**SCHEDULE OF PENSION CONTRIBUTIONS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

<b>CalPERS</b>	<b>Fiscal Year 2015-16 <sup>(1)</sup></b>	<b>Fiscal Year 2016-17 <sup>(1)</sup></b>	<b>Fiscal Year 2017-18 <sup>(1)</sup></b>	<b>Fiscal Year 2018-19 <sup>(1)</sup></b>	<b>Fiscal Year 2019-20 <sup>(1)</sup></b>	<b>Fiscal Year 2020-21 <sup>(1)</sup></b>	<b>Fiscal Year 2021-22 <sup>(1)</sup></b>	<b>Fiscal Year 2022-23 <sup>(1)</sup></b>	<b>Fiscal Year 2023-24 <sup>(1)</sup></b>	<b>Fiscal Year 2024-25 <sup>(1)</sup></b>
Contractually required contribution <sup>(2)</sup>	\$ 223,951	\$ 252,045	\$ 300,053	\$ 326,386	\$ 365,747	\$ 541,490	\$ 459,871	\$ 559,838	\$ 688,495	\$ 824,493
Contributions in relation to the contractually required contribution <sup>(2)</sup>	(252,463)	(299,662)	(326,946)	(367,253)	(412,647)	(459,974)	(562,995)	(691,532)	(819,057)	(820,336)
Contribution deficiency (excess)	<u>\$ (28,512)</u>	<u>\$ (47,617)</u>	<u>\$ (26,893)</u>	<u>\$ (40,867)</u>	<u>\$ (46,900)</u>	<u>\$ 81,516</u>	<u>\$ (103,124)</u>	<u>\$ (131,694)</u>	<u>\$ (130,562)</u>	<u>\$ 4,157</u>
Covered payroll <sup>(3)</sup>	\$ 1,890,360	\$ 1,814,840	\$ 1,931,962	\$ 1,807,031	\$ 1,854,607	\$ 2,615,894	\$ 2,007,294	\$ 2,206,693	\$ 2,580,566	\$ 3,048,033
Contributions as a percentage of covered payroll <sup>(3)</sup>	11.847%	13.888%	15.531%	18.062%	19.721%	20.700%	22.910%	25.370%	26.680%	27.050%
<b>STRS</b>	<b>Fiscal Year 2015-16 <sup>(1)</sup></b>	<b>Fiscal Year 2016-17 <sup>(1)</sup></b>	<b>Fiscal Year 2017-18 <sup>(1)</sup></b>	<b>Fiscal Year 2018-19 <sup>(1)</sup></b>	<b>Fiscal Year 2019-20 <sup>(1)</sup></b>	<b>Fiscal Year 2020-21 <sup>(1)</sup></b>	<b>Fiscal Year 2021-22 <sup>(1)</sup></b>	<b>Fiscal Year 2022-23 <sup>(1)</sup></b>	<b>Fiscal Year 2023-24 <sup>(1)</sup></b>	<b>Fiscal Year 2024-25 <sup>(1)</sup></b>
Contractually required contribution <sup>(2)</sup>	\$ 413,029	\$ 571,442	\$ 708,743	\$ 881,584	\$ 960,521	\$ 1,068,436	\$ 1,061,713	\$ 1,203,549	\$ 1,178,575	\$ 1,316,090
Contributions in relation to the contractually required contribution <sup>(2)</sup>	(575,762)	(723,721)	(894,120)	(967,748)	(1,045,555)	(969,750)	(1,083,078)	(1,255,279)	(1,381,027)	(1,438,332)
Contribution deficiency (excess)	<u>\$ (162,733)</u>	<u>\$ (152,279)</u>	<u>\$ (185,377)</u>	<u>\$ (86,164)</u>	<u>\$ (85,034)</u>	<u>\$ 98,686</u>	<u>\$ (21,365)</u>	<u>\$ (51,730)</u>	<u>\$ (202,452)</u>	<u>\$ (122,242)</u>
Covered payroll <sup>(3)</sup>	\$ 3,849,292	\$ 4,542,464	\$ 4,911,594	\$ 5,415,135	\$ 5,617,082	\$ 6,615,703	\$ 6,274,900	\$ 6,301,304	\$ 6,170,550	\$ 6,890,524
Contributions as a percentage of covered payroll <sup>(3)</sup>	10.730%	12.580%	14.430%	16.280%	17.100%	16.150%	16.920%	19.100%	19.100%	19.100%

<sup>(1)</sup> Historical information is required only for measurement periods for which GASB 68 is applicable.

<sup>(2)</sup> Employers are assumed to make contributions equal to the contractually required contributions. However, some employers may choose to make additional contributions towards their side fund or their unfunded liability. Employer contributions for such plans exceed the contractually required contributions. CalPERS has determined that employer obligations referred to as "side funds" do not conform to the circumstances described in paragraph 120 of GASB 68, therefore are not considered separately financed specific liabilities.

<sup>(3)</sup> Covered payroll is the payroll on which contributions to a pension plan are based.



**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**1. PURPOSE OF SCHEDULES**

- A - Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP) and Actual – General Fund

The District employs budget control by object codes and by individual appropriation accounts. Budgets are prepared on the modified accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board. The budgets are revised during the year by the Board of Trustees to provide for revised priorities. Expenditures cannot legally exceed appropriations by major object code. The originally adopted and final revised budgets for the General Fund are presented as Required Supplementary Information. The basis of budgeting is the same as GAAP.

- B - Schedule of Changes in the District's Net OPEB Liability and Related Ratios

GASB 75 requires presentation of the 10-year history of changes in the Net OPEB Liability. Since this is the eighth year of implementation, only results for fiscal years 2018 through 2025 are shown in this table.

Changes in Assumptions

The discount rate changed from 3.65% to 3.93%, with the new rate equal to the applicable municipal bond index on the measurement date.

Changes in Benefit Terms

There were no changes in benefit terms since the previous valuation.

- C - Schedule of Proportionate Share of the Net Pension Liability

This schedule presents information on the District's proportionate share of the net pension liability (NPL), the Plans' fiduciary net position and, when applicable, the State's proportionate share of the NPL associated with the District. In the future, as data becomes available, ten years of information will be presented.

Changes in Assumptions

There were no changes in assumptions for CalPERS and CalSTRS.

Changes in Benefit Terms

There were no changes in benefit terms since the previous valuations for both CalPERS and CalSTRS.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**1. PURPOSE OF SCHEDULES (CONTINUED)**

**D - Schedule of Pension Contributions**

If an employer's contributions to the plans are actuarially determined or based on statutory or contractual requirements, the employer's actuarially determined contribution to the pension plans (or, if applicable, its statutorily or contractually required contribution), the employer's actual contributions, the difference between the actual and actuarially determined contributions (or statutorily or contractually required), and a ratio of the actual contributions divided by covered-employee payroll. In the future, as data becomes available, ten years of information will be presented.

	<u><b>CalPERS</b></u>	<u><b>STRS</b></u>
Valuation Date	June 30, 2023	June 30, 2023
Measurement Date	June 30, 2024	June 30, 2024
Actuarial Cost Method	Entry-Age Normal Cost	Entry-Age Normal Cost
Actuarial Assumptions		
Discount Rate	6.90%	7.10%
Inflation	2.30%	2.75%
Payroll Growth Rate	2.80%	3.25%
Projected Salary Increase	Varies by Entry Age and Service	Varies by Entry Age and Service
Investment Rate of Return <sup>(1)</sup>	6.80%	7.10%
Mortality	Derived using CalPERS' Membership Data for all Funds	Derived using STRS' Membership Data for all Funds

<sup>(1)</sup> Net of pension plan investment expenses, including inflation.

## **SUPPLEMENTARY INFORMATION**

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**ALL NON-MAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2025**

	<b>Student Activity Fund</b>	<b>Cafeteria Fund</b>	<b>Capital Facilities Fund</b>	<b>Bond Interest and Redemption Fund</b>	<b>Totals</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 170,480	\$ 791,147	\$ 630,595	\$ 920,073	\$ 2,512,295
Accounts receivable	-	212,615	-	-	212,615
Stores inventory	-	21,746	-	-	21,746
Total Assets	<u>\$ 170,480</u>	<u>\$ 1,025,508</u>	<u>\$ 630,595</u>	<u>\$ 920,073</u>	<u>\$ 2,746,656</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities					
Accounts payable	\$ -	\$ 12,461	\$ -	\$ -	\$ 12,461
Due to other funds	-	43,387	-	-	43,387
Total Liabilities	<u>-</u>	<u>55,848</u>	<u>-</u>	<u>-</u>	<u>55,848</u>
Fund balances					
Nonspendable	-	21,796	-	-	21,796
Restricted	170,480	1,008,556	630,595	920,073	2,729,704
Unassigned	-	(60,692)	-	-	(60,692)
Total Fund Balances	<u>170,480</u>	<u>969,660</u>	<u>630,595</u>	<u>920,073</u>	<u>2,690,808</u>
Total Liabilities and Fund Balances	<u>\$ 170,480</u>	<u>\$ 1,025,508</u>	<u>\$ 630,595</u>	<u>\$ 920,073</u>	<u>\$ 2,746,656</u>

**WILLIAMS UNIFIED SCHOOL DISTRICT**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES**

**ALL NON-MAJOR GOVERNMENTAL FUNDS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<b>Student Activity Fund</b>	<b>Cafeteria Fund</b>	<b>Capital Facilities Fund</b>	<b>Bond Interest and Redemption Fund</b>	<b>Totals</b>
<b>REVENUES</b>					
Federal revenue	\$ -	\$ 1,139,457	\$ -	\$ -	\$ 1,139,457
Other state revenues	-	348,214	-	2,637	350,851
Other local revenues	236,595	30,162	16,102	545,532	828,391
Total revenues	236,595	1,517,833	16,102	548,169	2,318,699
<b>EXPENDITURES</b>					
Classified salaries	-	470,523	-	-	470,523
Employee benefits	-	207,889	-	-	207,889
Books and supplies	165,845	734,172	-	-	900,017
Services and other operating expenditures	103,962	6,834	-	-	110,796
Other outgo	-	43,387	-	-	43,387
Debt service expenditures					
Principal	-	-	125,000	45,000	170,000
Interest	-	-	96,974	425,700	522,674
Total expenditures	269,807	1,462,805	221,974	470,700	2,425,286
Excess (deficiency) of revenues over expenditures	(33,212)	55,028	(205,872)	77,469	(106,587)
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating transfers in	-	-	200,000	-	200,000
Other sources	-	-	-	190,264	190,264
Total other financing sources (uses)	-	-	200,000	190,264	390,264
Net change in fund balances	(33,212)	55,028	(5,872)	267,733	283,677
Fund balances, July 1, 2024	203,692	914,632	636,467	652,340	2,407,131
Fund balances, June 30, 2025	\$ 170,480	\$ 969,660	\$ 630,595	\$ 920,073	\$ 2,690,808

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**SCHEDULE OF AVERAGE DAILY ATTENDANCE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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	<b>Second Period Report</b>	<b>Revised Second Period Report*</b>	<b>Annual Report</b>
Elementary			
TK through Third	366.01	366.01	368.28
Fourth through Sixth	263.52	263.52	264.24
Seventh through Eighth	168.05	168.08	168.68
	<u>797.58</u>	<u>797.61</u>	<u>801.20</u>
Secondary			
Ninth through Twelfth	374.77	375.38	372.67
	<u>374.77</u>	<u>375.38</u>	<u>372.67</u>
Total ADA	<u>1,172.35</u>	<u>1,172.99</u>	<u>1,173.87</u>

\* The revision to the Second Period Report of Attendance was not the result of the audit.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**SCHEDULE OF INSTRUCTIONAL TIME**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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<b>Grade Level</b>	<b>Standard Minutes Requirement</b>	<b>2024-25 Actual Minutes</b>	<b>Total Instructional Days</b>	<b>Status</b>
Kindergarten	36,000	44,900	180	In compliance
Grade 1	50,400	52,850	180	In compliance
Grade 2	50,400	52,850	180	In compliance
Grade 3	50,400	52,850	180	In compliance
Grade 4	54,000	55,500	180	In compliance
Grade 5	54,000	55,500	180	In compliance
Grade 6	54,000	55,500	180	In compliance
Grade 7	54,000	65,887	180	In compliance
Grade 8	54,000	65,887	180	In compliance
Grade 9	64,800	65,887	180	In compliance
Grade 10	64,800	65,887	180	In compliance
Grade 11	64,800	65,887	180	In compliance
Grade 12	64,800	65,887	180	In compliance

**WILLIAMS UNIFIED SCHOOL DISTRICT**

**SCHEDULE OF CHARTER SCHOOLS**

**FOR FISCAL YEAR ENDED JUNE 30, 2025**

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<u>Charter School ID Number</u>	<u>Charter Schools Chartered by the District</u>	<u>Included in the District Financial Statements, or Separate Report</u>
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There are currently no charter schools chartered by the District.



**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT WITH**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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There were no adjustments made to any of the funds of the District.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

<b>Assistance Listing Number</b>	<b>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</b>	<b>Pass- Through Entity Identifying Number</b>	<b>Federal Expenditures</b>
<u>U.S. Department of Education</u>			
<i>Passed through California Department of Education</i>			
<b><u>Education Stabilization Fund (ESF) Cluster</u></b>			
84.425U	Elementary and Secondary School Emergency Relief III (ESSER III) Fund: Learning Loss	10155	\$ 220
84.425	American Rescue Plan - Homeless Children and Youth II (ARP HYC II)	15621	489
	Education Stabilization Fund (ESF) Cluster Total		709
84.010	ESEA (ESSA): Title I, Part A, Basic Grants Low-Income and Neglected	14329	241,498
84.027A	Special Ed: IDEA Mental Health Average Daily Attendance (ADA) Allocation, Part B, Sec 611	15197	5,989
84.367	ESEA (ESSA): Title II, Part A, Supporting Effective Instruction Local Grants	14341	34,064
84.365	ESEA (ESSA): Title III, English Learner Student Program	14346	103,851
84.287	ESEA (ESSA): Title IV, Part B, 21st Century Community Learning Centers Program	14349	254,500
84.424	ESEA (ESSA): Title IV, Part A, Student Support and Academic Enrichment Grants	15396	22,919
	Total U.S. Department of Education		663,530
<u>U.S. Department of Agriculture</u>			
<i>Passed through California Department of Education</i>			
<b><u>Child Nutrition Cluster</u></b>			
10.555	Child Nutrition: School Programs (NSL Sec 11)	13524	* 1,065,222
10.555	Child Nutrition Supply Chain	15655	* 48,983
10.555	School Lunch Program - Nonmonetary Assistance	13391	* 74,235
	Child Nutrition Cluster Total		1,188,440
	Total U.S. Department of Agriculture		1,188,440
	Total Federal Programs		\$ 1,851,970

\* Tested as a major program

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<b>Adopted Budget 2025/2026</b>	<b>Actuals 2024/2025</b>	<b>Actuals 2023/2024</b>	<b>Actuals 2022/2023</b>
<b><u>General Fund</u></b>				
Revenues and Other Financial Sources	\$ 24,379,499	\$ 24,524,819	\$ 26,188,746	\$ 25,714,732
Expenditures	24,039,872	24,342,950	23,197,693	19,926,093
Other Uses and Transfers Out	200,000	200,000	200,014	200,000
Total Outgo	24,239,872	24,542,950	23,397,707	20,126,093
Change in Fund Balance	139,627	(18,131)	2,791,039	5,588,639
Ending Fund Balance	\$ 19,523,869	\$ 19,384,242	\$ 19,402,373	\$ 16,611,334
Available Reserves	\$ 660,060	\$ 729,242	\$ 685,403	\$ 598,643
Reserve for Economic Uncertainties	\$ 660,060	\$ 729,242	\$ 685,403	\$ 598,643
Unappropriated Fund Balance	\$ -	\$ -	\$ -	\$ -
Available Reserves as a Percentage of Total Outgo	3%	3%	3%	3%
Total Long-Term Debt	\$ 37,217,820	\$ 41,982,142	\$ 35,505,304	* \$ 31,517,043
Average Daily Attendance at P-2	1,164	1,173	1,216	1,198

\* includes prior period adjustment for GASB 101 implementation.

The general fund balance has increased by \$8,361,547 over the past three years. The fiscal year 2025-2026 budget projects an increase of \$139,627. For a District this size, the State of California recommends available reserves of at least 3 percent of total general fund expenditures, transfers out, and other uses (total outgo). The District met this requirement.

The District had an operating surplus in two of the past three fiscal years.

Total long-term liabilities have increased by \$10,465,099 over the past two years due to increases in the net pension liability and compensated absences and new general obligation bond issuances.

Average Daily Attendance (ADA) has decreased by 25 over the past two years. The District anticipates ADA for the fiscal year 2025-2026 to decrease.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO SUPPLEMENTARY INFORMATION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**1. Schedule Of Average Daily Attendance**

Average daily attendance is a measurement of the number of pupils attending classes of the District. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of state funds are made to school districts. This schedule provides information regarding the attendance of students at various grade levels and in different programs.

**2. Schedule of Instructional Time**

This schedule presents information on the amount of instructional time offered by the District and whether the District complied with the provisions of Education Code Sections 46201 through 46206. Districts must maintain their instructional minutes at the State's standard requirements as required by Education Code Section 46201(b).

**3. Schedule of Charter Schools**

This schedule provides information for the California Department of Education to monitor financial reporting by Charter Schools.

**4. Reconciliation of Annual Financial and Budget Report with Audited Financial Statements**

This schedule provides information necessary to reconcile the Annual Financial and Budget Report to the audited financial statements.

**5. Schedule of Expenditures of Federal Awards**

The accompanying schedule of expenditures of federal awards includes federal grant activity of the District and is presented under the modified accrual basis of accounting. Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (Uniform Guidance) require a disclosure of the financial activities of all federally funded programs. This schedule was prepared to comply with the Uniform Guidance and state requirements. Therefore, some amounts presented in this schedule may differ from amounts used in the preparation of the general purpose financial statements. The District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

The schedule on the following page provides a reconciliation between revenues reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances, and the related expenditures reported on the Schedule of Expenditures of Federal Awards. The reconciling amount consists of the fair value of federal food commodities received from the California Department of Education as a pass-through grant from the U.S. Department of Agriculture that are not reflected in the financial statements.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO SUPPLEMENTARY INFORMATION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**5. Schedule of Expenditures of Federal Awards (Continued)**

	<b>Assistance Listing Number</b>	<b>Amount</b>
Total Federal Revenues From the Statement of Revenues, Expenditures, and Changes in Fund Balance		\$ 1,802,987
Reconciling items		
Supply Chain Assistance (SCA) Funds	10.555	48,983
Total Schedule of Expenditures of Federal Awards		<u>\$ 1,851,970</u>

**6. Schedule of Financial Trends and Analysis**

This schedule discloses the District's financial trends by displaying past years' data along with current year budget information. These financial trend disclosures are used to evaluate the District's ability to continue as a going concern for a reasonable period of time.

## **OTHER INFORMATION**

# **WILLIAMS UNIFIED SCHOOL DISTRICT**

## **ORGANIZATION**

**JUNE 30, 2025**

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The Williams Unified School District (the “District”) is located in Williams, California and was established in 1952. There were no changes in the boundaries of the District during the current year. The District is currently operating one elementary school, one upper elementary school, one junior senior high school, and a continuation high school.

### **GOVERNING BOARD**

<u>Name</u>	<u>Office</u>	<u>Term Expires December</u>
Kathleen Manor	President	2028
Cesar Perez	Member	2026
Ramiro Solis	Member	2028
Heather Covarrubias	Vice President	2026
Edward Davis	Member	2026

### **ADMINISTRATION**

Sandra Ayón, Ed.D.  
Superintendent

Aksil Howell-Coombs  
Chief Business Officer

## **OTHER INDEPENDENT AUDITOR'S REPORTS**





**INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE AND ON INTERNAL  
CONTROL OVER COMPLIANCE**

Board of Trustees  
Williams Unified School District  
Williams, California

**Report on Compliance**

**Opinion**

We have audited the Williams Unified School District (the "District") compliance with the requirements specified in the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* applicable to the District's state program requirements identified below for the year ended June 30, 2025.

In our opinion, Williams Unified School District complied, in all material respects, with the laws and regulations of the state programs noted in the table below for the year ended June 30, 2025.

**Basis for Opinion**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

**Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above, and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's state programs.

**Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS,

Government Auditing Standards, and the 2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting will always detect a material noncompliance when it exists.

The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of the state programs as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we consider necessary in the circumstances;
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, but not for the purpose of expressing an opinion on the effectiveness of the District's internal controls over compliance. Accordingly, we express no such opinion; and
- Select and test transactions and records to determine the District's compliance with the state laws and regulations applicable to the following items:

<b>Local Education Agencies Other Than Charter Schools</b>	
<b>Description</b>	<b>Procedures Performed</b>
Attendance	Yes
Teacher Certification and Misassignments	Yes
Independent Study	No, see below
Continuation Education	No, see below
Instructional Time	Yes
Instructional Materials	
General Requirements	Yes
Ratio of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive Program	No, see below
Gann Limit Calculation	Yes
School Accountability Report Card	Yes
Juvenile Court Schools	No, see below
Middle or Early College High Schools	Yes
K-3 Grade Span Adjustment	Yes
Apprenticeship: Related and Supplemental Instruction	No, see below
Comprehensive School Safety Plan	Yes
District of Choice	No, see below
Home to School Transportation Reimbursement	Yes

**School Districts, County Offices of Education and Charter Schools**

<b>Description</b>	<b>Procedures Performed</b>
Arts and Music in Schools	Yes
After/Before Schools Education and Safety Program	
General Requirements	Yes
After School	Yes
Before School	No, see below
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study-Course Based	No, see below
Immunizations	No, see below
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	No, see below
Career Technical Education Incentive Grant	Yes
Expanded Learning Opportunities Program	Yes
Transitional Kindergarten	Yes
Kindergarten Continuance	Yes

**Charter Schools**

<b>Description</b>	<b>Procedures Performed</b>
Attendance	No, see below
Mode of Instruction	No, see below
Nonclassroom-Based Instruction/Independent Study	No, see below
Determination of Funding for Nonclassroom-Based Instruction	No, see below
Annual Instructional Minutes - Classroom Based	No, see below
Charter School Facility Grant Program	No, see below

We did not perform any procedures related to Independent Study and Continuation Education because the ADA reported was below the materiality threshold for testing in the current year.

We did not perform any procedures related to Early Retirement Incentive, Juvenile Court Schools, Apprenticeship: Related and Supplemental Instruction, District of Choice, the Before School portion of the After/Before School Education and Safety Program, and Independent Study-Course Based because the District did not offer these programs.

We did not perform any procedures related to Immunization as none of the District's schools appeared on the lists of schools that did not submit immunization assessment reports to the California Department of Public Health or those that reported combined conditional admission and overdue rates greater than 10 percent in kindergarten and in 7th grade.

We did not perform any procedures related to Expanded Learning Opportunities Grant (ELO-G) as all of the funding was expended in the prior fiscal year.

We did not perform any procedures related to Charter Schools Attendance, Mode of Instruction, Nonclassroom-Based Instruction/Independent Study, Determination of Funding for Nonclassroom-Based Instruction, Annual Instructional Minutes – Classroom-Based, and Charter School Facility Grant Program because the District did not have any charter schools.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identify during the audit.

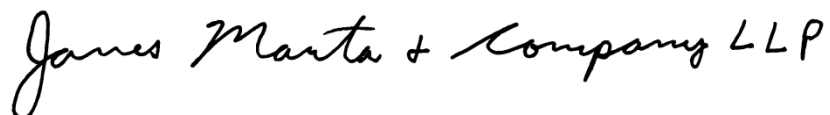
### **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention from those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "James Marta & Company LLP". The signature is written in a cursive, flowing style.

James Marta & Company LLP  
Certified Public Accountants  
Sacramento, California  
December 1, 2025



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

**INDEPENDENT AUDITOR'S REPORT**

Board of Trustees  
Williams Unified School District  
Williams, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Williams Unified School District (the "District"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 1, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

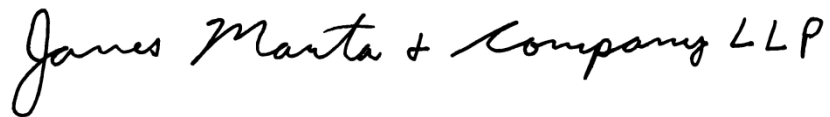
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we and the other auditors did not identify any deficiencies in internal control that we consider to be material weaknesses. We and the other auditors identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2025-01 that we consider to be significant deficiencies

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "James Marta & Company LLP". The script is cursive and fluid, with the letters "J", "M", and "C" being particularly large and stylized.

James Marta & Company LLP  
Certified Public Accountants  
Sacramento, California  
December 1, 2025



**James Marta & Company LLP**  
*Certified Public Accountants*

*Accounting, Auditing, Consulting, and Tax*

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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON  
INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

**INDEPENDENT AUDITOR'S REPORT**

Board of Trustees  
Williams Unified School District  
Williams, California

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Williams Unified School District's (the "District") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2025. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal programs.

## ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

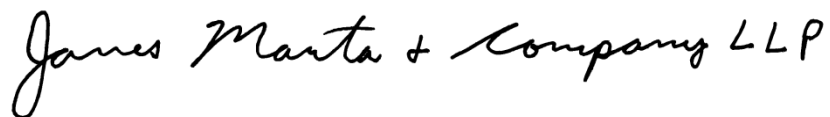
Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.



The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of Williams Unified School District as of and for the year ended June 30, 2025, and have issued our report thereon dated December 1, 2025, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "James Marta & Company LLP". The signature is written in a cursive, flowing style.

James Marta & Company LLP  
Certified Public Accountants  
Sacramento, California  
December 1, 2025

## **FINDINGS AND RECOMMENDATION**

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**Section I – Summary of Audit Results**

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	<u>      </u>	Yes	<u>  X  </u>	No
Significant deficiency(ies) identified?	<u>  X  </u>	Yes	<u>      </u>	None reported

Noncompliance material to financial statements noted?

	<u>      </u>	Yes	<u>  X  </u>	No
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**Federal Awards**

Internal control over major programs:

Material weakness(es) identified?	<u>      </u>	Yes	<u>  X  </u>	No
Significant deficiency(ies) identified?	<u>      </u>	Yes	<u>  X  </u>	None reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance Section 200.516(a)

	<u>      </u>	Yes	<u>  X  </u>	No
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Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.555	Child Nutrition Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?

<u>  X  </u>	Yes	<u>      </u>	No
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**State Awards**

Internal control over state programs:

Material weakness(es) identified?	<u>      </u>	Yes	<u>  X  </u>	No
Significant deficiency(ies) identified?	<u>      </u>	Yes	<u>  X  </u>	None reported

Type of auditor's report issued on compliance for state programs: Unmodified

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**Section II – Financial Statement Findings**

**Finding 2015-01 - Associated Student Body (ASB) — Required Procedures Not Followed – Significant Deficiency - 30000**

**Criteria**

California Education Code, Title 5 of the California Code of Regulations, the **FCMAT ASB Accounting Manual, Fraud Prevention Guide, and Desk Reference**, and the **California School Accounting Manual (CSAM)** require LEAs to maintain proper internal controls over ASB activities. Key requirements include:

- Proper authorization of fundraising and disbursements
- Use of pre-numbered receipts and cash-handling controls
- Accurate and timely recordkeeping
- Supporting documentation for ASB expenditures
- Student council approval and advisor oversight
- Deposits made intact and in a timely manner

**Condition**

During our review of ASB transactions, we noted several instances where required ASB procedures were not followed. Examples included:

- Missing or incomplete supporting documentation for collections
- Approvals on tally sheets done after deposit has been done

These exceptions result in increased risk of misappropriation or misuse of student funds.

**Cause**

ASB advisors, students, and site staff have not consistently followed the established ASB procedures. Training on ASB internal controls and documentation requirements appears insufficient or inconsistent across sites.

**Effect**

Failure to follow required ASB procedures exposes the LEA to:

- Misstatement of ASB financial activity
- Increased risk of loss, fraud, or misuse of student-raised funds
- Noncompliance with Education Code, CSAM, and FCMAT guidelines
- Inadequate accountability for student organization resources

**Questioned Costs**

Not applicable.

**Recommendation**

We recommend that the LEA:

1. Strengthen oversight of ASB operations to ensure compliance with required procedures.
2. Provide annual training to ASB advisors, clerks, bookkeepers, and student officers on cash handling, documentation, approvals, and recordkeeping.
3. Require consistent use of pre-numbered receipts, timely deposits, and complete supporting documentation.
4. Implement periodic internal reviews at school sites to ensure ASB accountability and compliance.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**LEA Response (Corrective Action Plan)**

The LEA agrees with the finding. The Business Office will update and provide ASB training and written procedures to all school sites. The LEA will also implement periodic monitoring of ASB activities to ensure required approvals, documentation, and internal controls are consistently followed. Site administrators will review ASB transactions on a regular basis to ensure compliance with ASB guidelines and district procedures.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**Section III – Federal Award Findings and Questioned Costs**

No matters were reported.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**Section IV – State Award Findings and Questioned Costs**

No matters were reported.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**STATUS OF PRIOR YEAR AUDIT FINDINGS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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No matters were reported.